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Commonwealth of Massachusetts.

ANNUAL REPORT

OF THE

BANK COMMISSIONERS,

DECEMBER, 1853.

BOSTON:

WILLIAM WHITE, PRINTER TO THE STATE.

1854.

ANNUAL REPORT

OF THE

BANK COMMISSIONERS.

To Hon. EPHRAIM M. WRIGHT, Secretary of the Commonwealth :—

The Bank Commissioners, in compliance with the requirements of the law under which they hold their commissions, respectfully present their Third Annual Report :—

The whole number of banking institutions in the State, on the 31st of December, 1852, was one hundred and thirty-seven, thirty-two of which were in Boston. The total of bank capital at that date, was \$43,270,500.

The whole number of savings institutions, at the same time, was fifty-four.

The Manufacturers' Bank, at Georgetown, was, at the time indicated, and is now, in the course of closing its concerns. In regard to this bank, it may be proper to say, that the par value (\$100 per share) of the capital stock was paid to the holders, April 26th, 1852; and, provision having been made for the redemption of outstanding bills, (amounting, on the 1st of September last, to \$749,) a dividend of $10\frac{85}{100}$ per share, was then made. The bills are redeemed at the Suffolk Bank, at Georgetown, and at the Spicket Falls Bank, Methuen.

The following tables show the banks incorporated at the last session of the Legislature, and those whose capital was increased.

BANK COMMISSIONERS' REPORT.

Banks Incorporated—1853.

Name of Bank.	Location.	Authorized Capital.	Capital Paid In.	Remarks.
Hopkinton,	Hopkinton,	\$100,000 00	-	Not commenced.
Metacomet,	Fall River,	400,000 00	\$205,000 00	-
Pittsfield,	Pittsfield,	150,000 00	150,000 00	-
Lechmere,	Cambridge,	100,000 00	-	Not commenced.
Cambridge City,	"	100,000 00	98,400 00	-
Wamesit,	Lowell,	100,000 00	50,000 00	-
Eliot,	Boston,	300,000 00	150,000 00	-
Woburn,	Woburn,	100,000 00	100,000 00	-
Howard Banking Company,	Boston,	500,000 00	500,000 00	-
Broadway,	"	100,000 00	50,000 00	-
Rockland,	Roxbury,	100,000 00	50,000 00	-
Pynchon,	Springfield,	150,000 00	75,500 00	-
Mount Wollaston,	Quincy,	100,000 00	69,450 00	-
National Bank of Boston,	Boston,	300,000 00	300,000 00	-
Webster,	"	1,500,000 00	1,500,000 00	-
Spicket Falls,	Methuen,	100,000 00	50,000 00	-
Totals, . . . . .	. . . . .	\$1,200,000 00	\$3,348,350 00	-

TABLE No. 2.—Banks of Increased Capital—1853.

Name of Bank.	Location.	Authorized Amount of Increase.	Amount paid in.	Remarks.
Atlas,	Boston,	\$250,000 00	—	Declined.
Blackstone,	Boston,	100,000 00	\$100,000 00	—
Boylston,	Boston,	50,000 00	50,000 00	—
Commerce, Bank of,	Boston,	500,000 00	500,000 00	—
Eagle,	Boston,	200,000 00	200,000 00	—
Freeman's,	Boston,	50,000 00	50,000 00	—
Granite,	Boston,	150,000 00	114,000 00	—
Grocers',	Boston,	200,000 00	200,000 00	—
Mechanics',	Boston,	50,000 00	50,000 00	—
Merchants',	Boston,	2,000,000 00	1,000,000 00	—
North,	Boston,	150,000 00	—	Declined.
North America, Bank of,	Boston,	250,000 00	250,000 00	—
Shawmut,	Boston,	250,000 00	—	Declined.
Trenout,	Boston,	250,000 00	174,900 00	—
Union,	Boston,	100,000 00	—	Declined.
Abington,	Abington,	50,000 00	50,000 00	—
Asiatic,	Salem,	10,000 00	10,000 00	—
Barnstable,	Yarmouth,	50,000 00	—	—
Bristol County,	Taunton,	50,000 00	50,000 00	—
Cambridge Market,	Cambridge,	50,000 00	50,000 00	—
Central,	Worcester,	100,000 00	100,000 00	—
Dedham,	Dedham,	50,000 00	50,000 00	—
Franklin County,	Greenfield,	50,000 00	40,000 00	—
Gloucester,	Gloucester,	100,000 00	100,000 00	—
Hadley Falls,	Holyoke,	100,000 00	75,000 00	—

TABLE No. 2---Continued. *Banks of Increased Capital—1853.*

Name of Bank.	Location.	Authorized amount of Increase.	Amount paid in.	Remarks.
Hampden,	Westfield,	\$50,000 00	\$50,000 00	-
Hampshire Manufacturers',	Ware,	50,000 00	50,000 00	-
Hingham,	Hingham,	35,000 00	35,000 00	-
Lighton,	Lynn,	50,000 00	50,000 00	-
Lee,	Lee,	50,000 00	50,000 00	-
Leicester,	Leicester,	50,000 00	50,000 00	-
Lynn Mechanics',	Lynn,	50,000 00	50,000 00	-
Machinists',	Taunton,	50,000 00	50,000 00	-
Maharive,	Great Barrington,	50,000 00	50,000 00	-
Massasoit,	Fall River,	100,000 00	52,900 00	-
Mechanics',	Worcester,	50,000 00	50,000 00	-
Milford,	Milford,	50,000 00	50,000 00	-
Millbury,	Millbury,	25,000 00	25,000 00	-
Old Colony,	Plymouth,	50,000 00	50,000 00	-
Plymouth,	Plymouth,	50,000 00	50,000 00	-
Prescott,	Lowell,	50,000 00	50,000 00	-
Taunton,	Taunton,	50,000 00	50,000 00	-
Village,	Danvers,	40,000 00	40,000 00	-
Waltham,	Waltham,	50,000 00	50,000 00	-
Warren,	Danvers,	50,000 00	50,000 00	-
Westfield,	Westfield,	50,000 00	50,000 00	-
Weymouth and Braintree, Union Bank of,	Weymouth,	50,000 00	50,000 00	-
Worcester,	Worcester,	50,000 00	50,000 00	-
		\$6,310,000 00	\$4,316,800 00	-

In the last list is included the Merchants' Bank, Boston, which was authorized to increase its capital stock, by an addition thereto, not exceeding \$2,000,000—such increase to be subject to the provisions contained in “an Act to authorize the business of Banking,” passed May 24th, 1851, and in the “Act additional thereto.”

It is provided in the Act granting the increase, that “no part of the additional capital aforesaid shall be exempted from taxation, until the whole circulation of said bank shall exceed the amount already allowed by law.”

It will be seen by Table No. 2, that the sum of \$1,000,000, a moiety of the increase, has already been paid in; and the business of the bank proceeds in the same manner as though it had been added in the usual way. This process of engrafting the provisions of the free banking law, upon an old institution, may be worthy of notice. We therefore furnish, (see Appendix, No. 1,) the opinion of eminent counsel, defining the duties of the corporation, in the process of increasing the capital, and of amalgamating the new capital with the old.

The foregoing lists present the actual amount of increased capital recently paid in, as well as the number of new banks which have commenced operations, and the paid capital of each, and consequently, the total of bank capital brought into operation within the year. The aggregate of new capital derived from both sources, is \$7,665,150.

The addition made by Boston banks is	.	.	\$5,188,900
The addition made by country banks is	.	.	2,476,250

This sum, added to the pre-existing bank capital of the State, shows the amount of capital now existing, and distributed as follows:—

Thirty-seven banks in Boston,	.	.	.	\$29,848,900
One hundred and fourteen out of Boston,	.	.	.	21,086,750
				<hr/>
				\$50,935,650

By the law establishing this Board, the Commissioners are required to visit every bank and institution for savings, at least

“once in every two years”; and also to examine all banks “within the first year after they shall go into operation,” as well as all banks whose capital shall be increased “within the first year after the additional stock shall be paid in.”

In compliance with this provision of law, the institutions referred to have all been visited and examined within the term of “two years,” from the date of our commission in May, 1851. Twenty-seven banks of circulation, and the same number of savings banks, were reported on in our first annual communication; eighty-five other banks, and twenty-one savings institutions, were embraced in our second Report, made in December, 1852; there being left at that time twenty-five banks and six savings institutions, which have been visited subsequently.

The Commissioners have presented, in their two preceding Reports, the condition of the banks visited by them, compared with their condition when visited by the former Board; and it is thought proper to pursue a similar course of comparison now, in regard to the remaining banks, which were not examined until after the 1st of January, and before the 13th of May last. We are thus enabled to furnish an aggregate comparison, at the two periods referred to, of all the banks examined by the Board during the first two years succeeding its organization, and comprising all that were in operation on the 13th of May, 1853.

COMPARATIVE EXHIBIT.

TABLE No. 3.—*Exhibiting the Names of Banks examined by the Commissioners from January 1 to May 13, 1853, with date of examination, amount of capital, notes outstanding or emitted, circulation, deposits, specie, loan, highest loan during the year preceding the examination, liabilities of Directors, immediate liabilities and resources of the Banks.*

City or Town.	Name of Bank.	Date of Examination.	Capital.	Notes outstanding or emitted.	Circulation.	Deposits.	Specie.	Loan at date of examination.	Highest Loan during the year.	Liabilities of Directors.	Immediate Liabilities.	Immediate Resources.
Boston,	Globe,	Jan. 18,	\$1,000,000	\$720,000	\$199,687	\$471,906	\$150,704	\$1,923,625	\$1,923,625	\$49,159	\$1,158,525	\$336,658
Boston,	Eagle,	" 27,	500,000	515,000	174,196	449,849	91,918	980,113	990,737	142,471	658,276	242,526
Boston,	Atlantic,	Feb. 1,	500,000	577,100	330,294	363,857	118,014	979,965	998,761	130,872	867,588	473,898
Boston,	N. America,	" 8,	500,000	422,727	273,013	349,540	56,464	972,063	999,275	165,374	837,434	399,773
Boston,	Merchants',	" 11,	3,000,000	1,285,000	703,212	1,344,001	565,699	5,459,807	5,785,206	574,537	3,469,839	1,310,441
Boston,	Cochituate,	" 21,	250,000	365,500	208,095	96,944	4,383	486,871	508,533	42,005	305,171	90,023
Boston,	Shawmut,	" 25,	500,000	453,781	201,175	238,604	55,514	1,031,578	1,032,082	116,164	637,009	194,827
Boston,	Hamilton,	Mar. 3,	500,000	506,000	200,443	251,799	40,139	931,497	1,023,000	185,414	497,755	109,389
Boston,	New England,	" 9,	1,000,000	328,737	163,837	217,613	48,961	1,532,484	1,701,382	137,716	646,503	167,754
Boston,	Washington,	" 14,	500,000	355,490	213,837	185,070	20,256	862,481	946,471	143,182	420,997	110,450
Canton,	Neponset,	" 17,	100,000	123,227	118,963	28,015	5,196	201,719	201,719	55,855	147,329	49,948
Salem,	Exchange,	" 22,	200,000	175,762	73,245	57,206	4,404	315,404	344,809	32,862	130,621	33,646
Salem,	Commercial,	" 23,	200,000	139,386	89,731	83,098	6,558	374,220	386,810	122,911	175,032	21,907
Taunton,	Bristol County,	" 29,	200,000	194,986	135,492	67,993	2,598	399,567	399,987	33,072	204,672	21,778
Taunton,	Machinists',	" 30,	100,000	113,097	84,301	25,833	3,676	198,508	199,680	50,670	110,698	25,092
Worcester,	Central,	Apr. 4,	150,000	183,000	130,375	37,111	9,138	295,734	299,940	88,950	167,551	42,347
Millbury,	Millbury,	" 5,	50,000	60,743	50,913	10,078	3,661	98,940	99,814	18,876	62,821	21,575
Plymouth,	Plymouth,	" 12,	100,000	132,500	122,785	29,069	8,004	183,152	194,817	8,516	154,004	85,566
Haverhill,	Union,	" 19,	100,000	132,900	76,731	18,015	2,758	196,984	198,834	17,791	94,565	3,046
Newburyport,	Mechanics',	" 20,	200,000	160,097½	98,625½	38,299	9,005	308,570	315,677	52,475	138,490	26,074
Northampton,	Holyoke,	" 26,	200,000	421,000	214,874	26,175	5,527	399,651	399,651	58,604	242,823	63,545

TABLE No. 4.—*Exhibiting the condition, in 1850, of the Banks named in Table No. 3.*

City or Town.	Name of Bank.	Date of examination.	Capital.	Circulation.	Deposits.	Specie.	Loan at date of examination	Highest Loan during the year	Liabilities of the Directors.	Immediate Liabilities of the Bank.	Immediate Resources of the Bank.
Boston,	Globe,	Apr. 22,	\$1,000,000	\$150,070	\$310,491	\$121,794	\$1,490,032	\$1,657,545	\$76,010	\$692,767	\$294,424
Boston,	Eagle,	Feb. 21,	500,000	135,203	279,830	42,400	887,430	930,064	288,423	437,373	146,492
Boston,	Atlantic,	July 12,	500,000	277,824	315,248	58,738	827,985	999,988	221,569	692,742	431,987
Boston,	North America,	Dec. 12,	500,000	222,283	214,556	36,523	867,476	903,887	109,414	522,839	169,383
Boston,	Merchants',	Mar. 21,	3,000,000	632,164	740,647	372,212	4,595,422	4,826,718	827,026	2,261,941	971,537
Boston,	Cochituate,	May 29,	150,000	155,297	32,613	5,835	284,957	303,923	46,620	187,910	55,338
Boston,	Shawmut,	Mar. 25,	500,000	136,476	162,285	22,545	887,773	981,223	170,475	441,217	126,393
Boston,	Hamilton,	Feb. 7,	500,000	174,832	220,861	48,065	862,000	880,035	278,330	461,223	180,329
Boston,	New England,	Apr. 18,	1,000,000	159,517	347,465	74,739	1,577,018	1,695,326	145,022	771,785	252,491
Boston,	Washington,	" 1,	500,000	143,750	177,009	20,342	722,798	776,618	175,913	332,759	123,631
Canton,	Neposet,	Mar. 13,	100,000	45,806	11,706	3,466	159,208	167,164	23,471	62,980	8,235
Salem,	Exchange,	July 12,	200,000	105,167	55,152	8,411	349,674	371,603	57,202	160,319	22,013
Salem,	Commercial,	June 18,	200,000	72,978	44,297	5,196	299,958	323,170	96,429	119,374	33,419
Taunton,	Bristol County,	Oct. 30,	200,000	109,718	78,339	6,321	385,822	399,618	33,864	188,946	21,143
Taunton,	Machinists',	" 29,	100,000	56,712	19,880	6,833	170,983	182,170	59,630	81,786	14,859
Worcester,	Central,	Aug. 5,	150,000	128,078	23,041	6,651	273,871	279,843	14,265	153,848	50,733
Millbury,	Millbury,	" 16,	50,000	41,657	6,311	3,259	88,629	88,629	16,025	47,968	15,961
Plymouth,	Plymouth,	Apr. 6,	100,000	122,486	21,870	4,738	197,524	198,868	29,688	144,356	58,088
Haverhill,	Union,	July 20,	100,000	58,942	8,057	2,517	150,583	150,583	21,847	67,527	18,860
Newburyport,	Mechanics',	Aug. 1,	200,000	59,117	26,672	7,673	269,752	269,752	26,226	91,382	21,019
Northampton,	Holyoke,	Nov. 15,	200,000	251,399	15,139	5,104	397,667	397,667	90,096	271,356	82,561

TABLE No. 3—Continued.

City or Town.	Name of Bank.	Date of Examination.	Capital.	Notes outstanding or emitted.	Circulation.	Deposits.	Specie.	Loan at date of examination.	Highest Loan during the year.	Liabilities of Directors.	Immediate Liabilities.	Immediate Resources.
Chicopee, .	Cabot, .	Apr. 27,	\$150,000	\$279,815	\$148,982	\$21,203	\$5,361	\$281,204	\$293,050	\$10,650	\$170,320	\$44,219
Springfield, .	Chicopee, .	" 28,	300,000	383,626	303,672	88,253	9,103	598,137	599,786	27,226	392,129	106,687
Ware, .	Hamp's Manuf.,	May 3,	200,000	389,537	242,392	11,792	11,847	396,830	407,587	6,666	254,184	97,944
Southbridge, .	Southbridge, .	" 4,	100,000	212,600	128,284	5,275	6,229	201,653	209,613	14,939	134,405	35,435
Leicester, .	Leicester, .	" 6,	100,000	187,000	130,226	14,898	7,407	196,019	199,949	3,491	145,666	60,449
			10,700,000	8,818,611½	4,877,380½	4,531,496	1,232,521	19,806,866	20,660,795	2,290,448	12,224,407	4,174,997

TABLE No. 4—Continued.

City or Town.	Name of Bank.	Date of Examination.	Capital.	Circulation.	Deposits.	Specie.	Loan at date of examination.	Highest Loan during the year.	Liabilities of the Directors.	Immediate Liabilities of the Bank.	Immediate Resources of the Bank.
Chicopee, .	Cabot, .	Nov. 26,	\$150,000	\$168,315	\$14,445	\$6,006	\$300,279	\$300,811	\$9,560	\$182,760	\$38,052
Springfield, .	Chicopee, .	Aug. 29,	300,000	205,133	67,823	8,621	494,438	575,074	11,232	275,454	98,746
Ware, .	Hamp. Manuf's,	Dec. 3,	200,000	195,722	5,638	9,944	374,881	401,409	4,635	291,360	31,908
Southbridge, .	Southbridge, .	" 5,	100,000	171,885	13,632	3,632	183,655	197,750	30,948	185,517	90,214
Leicester, .	Leicester, .	Aug 14,	100,000	110,244	8,636	3,632	198,570	199,985	—	119,412	35,268
			\$10,600,000	\$4,090,806	\$3,221,643	\$895,267	\$17,298,365	\$18,459,453	\$2,864,010	\$9,156,901	\$3,303,684

TABLE NO. 5.—Aggregate of Tables Nos. 3 and 4.

	Capital.	Circulation.	Deposits.	Specie.	Loan at date of examination	Highest Loan during the year	Liabilities of the Directors.	Immediate Liabilities.	Immediate Resources.
26 Banks examined in 1853, .	\$10,700,000	\$4,877,380	\$4,531,496	\$1,252,521	\$19,806,866	\$20,660,795	\$2,290,448	\$12,224,407	\$4,174,997
Same Banks examined in 1850, .	10,600,000	4,090,806	3,921,643	895,267	17,298,385	18,459,453	2,864,010	9,156,901	3,393,684
Increase,	\$100,000	\$786,574	\$1,309,853	\$357,254	\$2,508,481	\$2,201,342	\$573,562 <i>Decrease.</i>	\$3,067,506	\$781,313
Per cent. Increase,	$\frac{94}{100}$ per cent.	$19\frac{2}{10}$ per ct.	$40\frac{7}{10}$ per ct.	$39\frac{2}{10}$ per ct.	$14\frac{5}{10}$ per ct.	$11\frac{9}{10}$ per ct.	20 per cent. <i>Decrease.</i>	$33\frac{5}{10}$ per ct.	23 per cent.

TABLE No. 6—*General Aggregate of the Two Examinations.*

	Capital.	Circulation.	Deposits.	Specie.	Loan at date of examination.	Highest Loan during the year	Liabilities of the Directors.	Immediate Liabilities.	Immediate Resources.
137 Banks—2d Examination, .	\$43,381,950	\$19,912,830	\$15,290,101	\$3,591,762	\$73,728,932	\$78,084,353	\$10,421,973	\$41,924,630	\$15,048,371
132 Banks—1st Examination, .	37,548,400	17,282,357	12,380,781	2,939,600	61,346,261	63,051,531	10,908,355	34,534,639	12,870,318
Increase,	\$5,833,550	\$2,630,482	\$2,909,320	\$652,162	\$12,382,671	\$12,032,832	\$526,382	\$7,389,991	\$2,178,053
Increase per cent, . . .	or 15 5-10 per ct.	or 15 2-10 per ct.	or 23 1-2 per ct.	or 22 2-10 per ct.	or 20 2-10 per ct.	or 18 2-10 per ct.	or 4 8-10 per ct.	or 21 4-10 per ct.	or 16 8-10 per ct.
							<i>Decrease.</i>	<i>Decrease.</i>	

Table No. 5 exhibits a comparison between the twenty-six banks examined since January 1st and before May 13th, 1853, and the same banks, when examined in 1850—by which it will be seen that the increase of the capital of those banks is but \$100,000, not one per cent., while the circulation has advanced nineteen per cent. The increase of deposits and specie is about forty per cent. The rate of increase of immediate liabilities, though it falls below that of specie or deposits, exceeds the rate of immediate resources. In sixteen of these banks the specie has been increased, and in ten of them it has been diminished. The aggregate of specie shows an increase of twenty per cent. A very considerable decrease of the liabilities of directors will be noticed.

On referring to Table No. 6, and comparing the result of the first examination, or that of 1850, with that of the second examination, it will appear that the capital and circulation have increased in almost the same ratio, as is the case with deposits and specie—the two latter increasing in a greater degree than the two former—and that the increase of the loan is in somewhat less proportion than that of specie or deposits; while the liability of directors has been somewhat diminished. The immediate liabilities have increased to a greater percentage than the immediate resources, and about in proportion to the specie, deposits, and loan. The condition of the banks visited since the 13th of May, (the commencement of the second biennial term of this Board,) will be seen in the following Abstracts, arranged according to the date of the respective examinations.

A B S T R A C T S,

Showing the condition of the Banks visited by the Commissioners since May 13, 1853. The date of the examination is placed under the name of the Bank.

BUNKER-HILL BANK—CHARLESTOWN.

[J U N E 24, 1853.]

Capital, . . .	\$200,000 00	Loan, . . .	\$398,578 51
Circulation, . . .	163,089 00	Real Estate, . . .	18,000 00
Deposits, . . .	222,005 23	Checks and Bills of other Banks, . . .	24,569 78
Profits on Hand, . . .	30,539 48	Bank Balances, . . .	144,584 91
		Specie, . . .	29,900 51
	<u>\$615,633 71</u>		<u>\$615,633 71</u>
Immediate Liabilities, .	385,094 23	Liabilities of Directors,	\$19,992 27
Immediate Resources, .	199,055 20	Loan on pledge of Stock of the Bank,	11,300 00

NAUMKEAG BANK—SALEM.

[J U N E 30, 1853.]

Capital, . . .	\$500,000 00	Loan, . . .	\$800,725 03
Circulation, . . .	139,574 00	Real Estate, . . .	560 00
Deposits, . . .	164,611 02	Checks and Bills of other Banks, . . .	8,667 14
Bank Balances, . . .	5,603 39	Bank Balances, . . .	18,649 75
Profits on Hand, . . .	29,216 04	Specie, . . .	10,402 53
	<u>\$839,004 45</u>		<u>\$839,004 45</u>
Immediate Liabilities, .	\$309,788 41	Liabilities of Directors,	\$143,278 48
Immediate Resources, .	37,719 42	Loan on Stock of the Bank, . . .	2,730 00

LEE BANK.—LEE.

[JULY 14, 1853.]

Capital, . . .	\$200,000 00	Loan, . . .	\$396,896 52
Circulation, . . .	224,355 00	Real Estate, . . .	2,330 00
Deposits, . . .	13,407 20	Bills of other Banks, .	303 00
Bank Balances, . . .	1,748 36	Bank Balances, . . .	58,106 83
Profits on Hand, . . .	24,379 18	Specie, . . .	6,253 39
	<u>\$463,889 74</u>		<u>\$463,889 74</u>
Immediate Liabilities, .	\$239,510 56	Liabilities of Directors,	\$44,585 38
Immediate Resources, .	64,663 22	Loan on Stock of the Bank, . . .	5,676 83

HOUSATONIC BANK.—STOCKBRIDGE.

[JULY 15, 1853.]

Capital, . . .	\$100,000 00	Loan, . . .	\$218,162 45
Circulation, . . .	121,680 00	Real Estate, . . .	2,250 00
Deposits, . . .	58,973 01	Checks and Bills of other Banks, . . .	2,184 17
Bank Balances, . . .	5,064 61	Bank Balances, . . .	88,882 87
Profits on Hand, . . .	30,556 63	Specie, . . .	4,794 76
	<u>\$316,274 25</u>		<u>\$316,274 25</u>
Immediate Liabilities, .	\$185,717 62	Liabilities of Directors,	\$20,908 90
Immediate Resources, .	95,861 80	Loan on Stock of the Bank, . . .	—

NOTE.—Included in the Loan, is an amount due from private bankers.

WESTERN BANK.—SPRINGFIELD.

[JULY 27, 1853.]

Capital, . . .	\$250,000 00	Loan, . . .	\$488,757 49
Circulation, . . .	293,787 00	Real Estate, . . .	11,735 54
Deposits, . . .	16,175 53	Checks and Bills of other Banks, . . .	3,864 06
Bank Balances, . . .	69,753 22	Bank Balances, . . .	128,559 93
Profits on Hand, . . .	12,611 30	Specie, . . .	9,410 03
	<u>\$642,327 05</u>		<u>\$642,327 05</u>
Immediate Liabilities, .	\$379,715 75	Liabilities of Directors,	\$28,984 22
Immediate Resources, .	141,834 02	Loan on Stock of the Bank, . . .	2,100 00

OCEAN BANK.—NEWBURYPORT.

[AUGUST 3, 1853.]

Capital, . . .	\$100,000 00	Loan, . . .	\$204,337 48
Circulation, . . .	123,469 00	Real Estate, . . .	2,500 00
Deposits, . . .	68,992 91	Checks and Bills of other Banks, . . .	514 00
Bank Balances, . . .	366 11	Bank Balances, . . .	96,828 33
Profits on Hand, . . .	18,911 98	Specie, . . .	7,560 19
	<u>\$311,740 00</u>		<u>\$311,740 00</u>
Immediate Liabilities, .	\$192,828 02	Liabilities of Directors,	\$20,601 16
Immediate Resources, .	104,902 52	Loan on Stock of the Bank, . . .	—

HAMPDEN BANK.—WESTFIELD.

[AUGUST 9, 1853.]

Capital, . . .	\$150,000 00	Loan, . . .	\$280,887 29
Circulation, . . .	125,205 00	Real Estate, . . .	5,085 00
Deposits, . . .	19,484 04	Bills of other Banks, .	845 00
Bank Balances, . . .	—	Bank Balances, . . .	23,045 06
Profits on Hand, . . .	21,023 34	Specie, . . .	5,850 03
	<u>\$315,712 38</u>		<u>\$315,712 38</u>
Immediate Liabilities, .	\$144,689 04	Liabilities of Directors,	\$27,865 00
Immediate Resources, .	29,740 09	Loans on Stock of the Bank, . . .	1,150 00

MALDEN BANK.—MALDEN.

[AUGUST 16, 1853.]

Capital, . . .	\$100,000 00	Loan, . . .	\$198,613 95
Circulation, . . .	88,440 00	Real Estate, . . .	5,602 64
Deposits, . . .	33,321 81	Checks and bills of other Banks, . . .	2,295 00
Profits, . . .	5,907 67	Bank Balances, . . .	14,354 15
		Specie, . . .	6,803 74
	<u>\$227,669 48</u>		<u>\$227,669 48</u>
Immediate Liabilities, .	\$121,761 81	Liabilities of Directors,	\$28,831 26
Immediate Resources, .	23,452 89	Loans on Stock of the Bank, . . .	1,800 00

TRADESMAN'S BANK.—CHELSEA.

[AUGUST 18, 1853.]

Capital, . . .	\$150,000 00	Loan, . . .	\$299,011 57
Circulation, . . .	133,032 00	Stock, . . .	2,300 00
Deposits, . . .	78,169 34	Checks and Bills of other Banks, . .	21,172 41
Bank Balances, . .	—	Bank Balances, . .	51,385 76
Profits on Hand, . .	17,054 56	Specie, . . .	4,386 16
	<u>\$378,255 90</u>		<u>\$378,255 90</u>
Immediate Liabilities, .	\$211,201 34	Liabilities of Directors,	43,805 00
Immediate Resources, .	76,944 33	Loans on Stock of the Bank, . . .	15,970 00

WORCESTER BANK.—WORCESTER.

[AUGUST 23, 1853.]

Capital, . . .	\$300,000 00	Loan, . . .	\$549,333 14
Circulation, . . .	151,643 00	Real Estate, . .	26,800 00
Deposits, . . .	131,234 27	Checks and Bills of other Banks, . .	2,092 00
Bank Balances, . .	131 41	Bank Balances, . .	23,190 16
Profits on Hand, . .	34,885 06	Specie, . . .	16,478 44
	<u>\$617,893 74</u>		<u>\$617,893 74</u>
Immediate Liabilities, .	\$283,008 68	Liabilities of Directors,	\$80,183 00
Immediate Resources, .	41,760 00	Loan on Stock of the Bank, . . .	110 00

OXFORD BANK.—OXFORD.

[AUG. 25, 1853.]

Capital, . . .	\$100,000 00	Loan, . . .	\$189,439 15
Circulation, . . .	110,096 00	Real Estate, . . .	2,054 60
Deposits, . . .	12,118 89	Bills of other Banks, . .	275 00
Bank Balances, . . .	2,570 20	Bank Balances, . . .	36,798 92
Profits on Hand, . . .	6,062 88	Specie, . . .	2,280 30
	<u>\$230,847 97</u>		<u>\$230,847 97</u>
Immediate Liabilities, .	\$124,785 09	Liabilities of Directors,	\$31,663 74
Immediate Resources, .	39,354 22	Loan on Stock of the Bank, . . .	400 00

NOTE.—This Bank resumed payment of dividends in April last, no previous dividend having been made since April, 1851.

ROCKPORT BANK.—ROCKPORT.

[AUGUST 31, 1853.]

Capital, . . .	\$100,000 00	Loan, . . .	\$204,519 45
Circulation, . . .	118,421 00	Real Estate, . . .	-
Deposits, . . .	19,805 60	Checks and Bills of other Banks, . . .	1,082 60
Bank Balances, . . .	-	Bank Balances, . . .	37,478 74
Profits on Hand, . . .	9,855 84	Specie, . . .	5,004 65
	<u>\$248,085 44</u>		<u>\$248,085 44</u>
Immediate Liabilities, .	\$138,229 60	Liabilities of Directors,	\$34,324 00
Immediate Resources, .	43,565 99	Loans on Stock of the Bank, . . .	12,417 00

MECHANICS' BANK.—BOSTON.

[SEPT. 2, 1853.]

Capital, . . .	\$200,000 00	Loan, . . .	\$379,070 77
Circulation, . . .	181,793 00	Real Estate, . . .	16,250 00
Deposits, . . .	91,927 72	Checks and Bills of other Banks, . . .	4,616 27
Bank Balances, . . .	6 46	Bank Balances, . . .	87,121 00
Profits on Hand, . . .	27,455 80	Specie, . . .	14,124 94
	<u>\$501,182 98</u>		<u>\$501,182 98</u>
Immediate Liabilities, .	\$273,727 18	Liabilities of Directors,	\$44,196 00
Immediate Resources, .	105,862 21	Loans on Stock of the Bank, . . .	5,017 00

MATAPAN BANK.—DORCHESTER.

[SEPT. 9, 1853.]

Capital, . . .	\$100,000 00	Loan, . . .	\$187,010 85
Circulation, . . .	70,236 00	Real Estate, . . .	—
Deposits, . . .	21,009 75	Checks and Bills of other Banks, . . .	2,217 51
Bank Balances, . . .	—	Bank Balances, . . .	9,257 39
Profits on Hand, . . .	12,631 49	Specie, . . .	5,391 49
	<u>\$203,877 24</u>		<u>\$203,877 24</u>
Immediate Liabilities, .	\$91,245 75	Liabilities of Directors,	\$35,280 79
Immediate Resources, .	16,866 39	Loan on Stock of the Bank, . . .	—

MERRIMACK BANK.—HAVERHILL.

[SEPT. 14, 1853.]

Capital, . . .	\$180,000 00	Loan, . . .	\$310,991 54
Circulation, . . .	69,873 00	Real Estate, . . .	2,000 00
Deposits, . . .	35,206 00	Bills of other Banks, .	3,050 00
Bank Balances, . . .	22,385 89	Bank Balances, . . .	2,347 88
Profits on Hand, . . .	15,760 52	Specie, . . .	4,835 99
	<u>\$323,225 41</u>		<u>\$323,225 41</u>
Immediate Liabilities, .	\$127,464 89	Liabilities of Directors,	\$12,521 00
Immediate Resources, .	10,233 87	Loan on Stock of the Bank, . . .	—

CAMBRIDGE MARKET BANK.—CAMBRIDGE.

[SEPTEMBER 19, 1853.]

Capital, . . .	\$150,000 00	Loan, . . .	\$286,157 82
Circulation, . . .	163,053 00	Real Estate, . . .	4,818 02
Deposits, . . .	15,498 12	Checks and Bills of other Banks, . . .	6,857 32
Bank Balances, . . .	—	Bank Balances, . . .	33,536 00
Profits on Hand, . . .	8,422 86	Specie, . . .	5,604 82
	<u>\$336,973 98</u>		<u>\$336,973 98</u>
Immediate Liabilities, .	\$178,551 12	Liabilities of Directors,	\$39,156 00
Immediate Resources, .	45,998 14	Loan on Stock of the Bank, . . .	4,219 00

LAIGHTON BANK.—LYNN.

[SEPT. 21, 1853.]

Capital, . . .	\$200,000 00	Loan, . . .	\$396,011 20
Circulation, . . .	165,263 00	Real Estate, . . .	-
Deposits, . . .	31,892 53	Checks and Bills of other Banks, . . .	4,946 30
Bank Balances, . . .	18,537 36	Bank Balances, . . .	32,696 61
Profits on Hand, . . .	21,203 12	Specie, . . .	6,241 90
	<u>\$439,896 01</u>		<u>\$439,896 01</u>
Immediate Liabilities, .	\$218,692 89	Liabilities of Directors,	\$73,143 68
Immediate Resources, .	43,884 81	Loans on Stock of the Bank, . . .	2,800 00

VILLAGE BANK.—DANVERS.

[SEPT. 23, 1853.]

Capital, . . .	\$160,000 00	Loan, . . .	\$319,317 04
Circulation, . . .	124,771 00	Real Estate, . . .	-
Deposits, . . .	29,059 86	Bills of other Banks and Checks, . . .	4,038 51
Bank Balances, . . .	12,895 97	Bank Balances, . . .	20,175 09
Profits on Hand, . . .	19,680 85	Specie, . . .	2,887 04
	<u>\$346,417 68</u>		<u>\$346,417 68</u>
Immediate Liabilities, .	\$166,726 83	Liabilities of Directors,	\$60,534 00
Immediate Resources, .	27,100 64	Loan on Stock of the Bank, . . .	-

MERCHANTS BANK.—NEW BEDFORD.

[OCTOBER 5, 1853.]

Capital, . . .	\$600,000 00	Loan, . . .	\$1,198,036 70
Circulation, . . .	388,959 00	Real Estate, . . .	13,000 00
Deposits, . . .	185,983 22	Stock, . . .	1,200 00
Bank Balances, . . .	38,694 87	Checks and Bills of other Banks, . . .	4,101 00
Profits on Hand, . . .	25,282 98	Bank Balances, . . .	17,164 53
		Specie, . . .	5,417 84
	<u>1,238,920 07</u>		<u>\$1,238,920 07</u>
Immediate Liabilities, .	\$613,637 09	Liabilities of Directors,	\$101,945 98
Immediate Resources, .	26,683 37	Loan on Stock of Bank,	2,400 00

PACIFIC BANK.—NANTUCKET.

[OCT. 10, 1853.]

Capital, . . .	\$200,000 00	Loan, . . .	\$396,371 42
Circulation, . . .	167,369 00	Real Estate, . . .	10,000 00
Deposits, . . .	281,020 85	Bills of other Banks, .	70 00
Bank Balances, . . .	542 97	Bank Balances, . . .	256,722 54
Profits on Hand, . . .	31,812 26	Specie, . . .	17,581 12
	<u>\$680,745 08</u>		<u>\$680,745 08</u>
Immediate Liabilities, .	\$448,932 82	Liabilities of Directors,	\$23,952 18
Immediate Resources, .	274,373 66	Loan on Stock of the Bank, . . .	-

MARINE BANK.—NEW BEDFORD.

[OCTOBER 12, 1853.]

Capital, . . .	\$500,000 00	Loan, . . .	\$994,337 82
Circulation, . . .	347,973 00	Real Estate, . . .	10,978 37
Deposits, . . .	216,653 95	Bills of other Banks, . . .	3,330 00
Bank Balances, . . .	2,805 22	Bank Balances, . . .	63,047 81
Profits on Hand, . . .	20,695 74	Specie, . . .	16,433 91
	<u>1,088,127 91</u>		<u>\$1,088,127 91</u>
Immediate Liabilities, . . .	\$567,432 17	Liabilities of Directors, . . .	\$132,042 28
Immediate Resources, . . .	82,811 72	Loan on Stock of the Bank, . . .	1,050 00

WAREHAM BANK.—WAREHAM.

[OCT. 13, 1853.]

Capital, . . .	\$100,000 00	Loan, . . .	\$201,292 98
Circulation, . . .	90,717 00	Real Estate, . . .	7,856 25
Deposits, . . .	37,482 11	Checks and Bills of other Banks, . . .	3,666 00
Bank Balances, . . .	733 08	Bank Balances, . . .	13,468 08
Profits on Hand, . . .	574 26	Specie, . . .	3,223 14
	<u>\$229,506 45</u>		<u>\$229,506 45</u>
Immediate Liabilities, . . .	\$128,932 19	Liabilities of Directors, . . .	—
Immediate Resources, . . .	20,357 22	Loan on Stock of the Bank, . . .	—

NOTE.—A considerable amount included in Loan, is worthless paper, and might, perhaps, be deducted from the Loan.

This Bank has \$21,555 25-100 overdue paper, on which it is estimated the Bank will realize about one-third of the amount.

No dividend has been paid by this Bank since October, 1850.

MAHAIWE BANK.—GREAT BARRINGTON.

[OCTOBER 19, 1853.]

Capital, . . .	\$150,000 00	Loan, . . .	\$299,961 29
Circulation, . . .	160,336 00	Real Estate, . . .	2,733 92
Deposits, . . .	27,625 27	Checks and Bills of other Banks, . . .	3,743 67
Bank Balances, . . .	205 34	Bank Balances, . . .	45,478 15
Profits on Hand, . . .	18,542 52	Specie, . . .	4,792 10
	<u>\$356,709 13</u>		<u>\$356,709 13</u>
Immediate Liabilities, .	\$188,166 61	Liabilities of Directors,	\$6,791 30
Immediate Resources, .	54,013 92	Loan on Stock of the Bank, . . .	—

WESTFIELD BANK.—WESTFIELD.

[OCTOBER 21, 1853.]

Capital, . . .	\$150,000 00	Loan, . . .	\$304,247 40
Circulation, . . .	175,250 00	Real Estate, . . .	4,963 63
Deposits, . . .	16,439 34	Checks and bills of other Banks, . . .	2,011 50
Bank Balances, . . .	205 93	Bank Balances, . . .	35,809 16
Profits on Hand, . . .	8,376 67	Specie, . . .	3,240 25
	<u>\$350,271 94</u>		<u>\$350,271 94</u>
Immediate Liabilities, .	\$191,895 27	Liabilities of Directors,	\$34,861 25
Immediate Resources, .	41,060 91	Loan on Stock of the Bank, . . .	2,655 00

NOTE.—Included in the Loan, is an amount due from private bankers.

QUINSIGAMOND BANK.—WORCESTER.

[OCTOBER 24, 1853.]

Capital, . . .	\$150,000 00	Loan, . . .	\$291,348 52
Circulation, . . .	113,902 00	Real Estate, . . .	-
Deposits, . . .	54,649 98	Checks and Bills of other Banks, . . .	1,842 78
Bank Balances, . . .	577 29	Bank Balances, . . .	28,667 34
Profits on Hand, . . .	10,956 65	Specie, . . .	8,227 28
	<u>\$330,085 92</u>		<u>\$330,085 92</u>
Immediate Liabilities, .	\$169,129 27	Liabilities of Directors,	\$19,326 30
Immediate Resources, .	38,737 40	Loan on Stock of the Bank, . . .	-

MECHANICS' BANK.—WORCESTER.

[OCTOBER 26, 1853.]

Capital, . . .	\$350,000 00	Loan, . . .	\$674,724 23
Circulation, . . .	215,014 00	Real Estate, . . .	-
Deposits, . . .	120,224 85	Checks and Bills of other Banks, . . .	15,055 33
Bank Balances, . . .	1,471 99	Bank Balances, . . .	13,081 99
Profits on Hand, . . .	34,417 08	Specie, . . .	18,266 37
	<u>\$721,127 92</u>		<u>\$721,127 92</u>
Immediate Liabilities, .	\$336,710 84	Liabilities of Directors,	\$91,116 54
Immediate Resources, .	46,403 69	Loan on Stock of the Bank, . . .	-

NEWTON BANK.—NEWTON.

[Oct. 28, 1853.]

Capital, . . .	\$150,000 00	Loan, . . .	\$309,201 03
Circulation, . . .	152,144 00	Real Estate, . . .	5,416 37
Deposits, . . .	42,224 47	Checks and Bills of other Banks, . . .	15,031 40
Bank Balances, . . .	—	Bank Balances, . . .	22,238 43
Profits on Hand, . . .	13,886 80	Specie, . . .	6,368 04
	<u>\$358,255 27</u>		<u>\$358,255 27</u>
Immediate Liabilities, .	\$194,368 47	Liabilities of Directors,	\$17,086 00
Immediate Resources, .	43,637 87	Loan on Stock of the Bank, . . .	—

FREEMAN'S BANK.—BOSTON.

[Oct. 31, 1853.]

Capital, . . .	\$350,000 00	Loan, . . .	\$698,871 12
Circulation, . . .	262,900 00	Real Estate, . . .	—
Deposits, . . .	140,444 33	Checks and Bills of other Banks, . . .	34,616 24
Bank Balances, . . .	—	Bank Balances, . . .	24,436 95
Profits on Hand, . . .	50,634 96	Specie, . . .	46,054 98
	<u>\$803,979 29</u>		<u>\$803,979 29</u>
Immediate Liabilities, .	\$403,344 33	Liabilities of Directors,	\$33,180 00
Immediate Resources, .	105,108 17	Loan on Stock of the Bank, . . .	16,197 50

MERCHANTS' BANK.—SALEM.

[Nov. 10, 1853.]

Capital, . . .	\$200,000 00	Loan, . . .	\$355,130 05
Circulation, . . .	83,310 00	Real Estate, . . .	—
Deposits, . . .	82,107 57	Checks and Bills of other Banks, . . .	7,721 84
Bank Balances, . . .	89 10	Bank Balances, . . .	7,530 72
Profits on Hand, . . .	8,979 58	Specie, . . .	4,103 64
	<u>\$374,486 25</u>		<u>\$374,486 25</u>
Immediate Liabilities, .	\$165,506 67	Liabilities of Directors,	\$84,269 35
Immediate Resources, .	19,356 20	Loan on Stock of the Bank, . . .	4,200 00

FALL RIVER BANK.—FALL RIVER.

[Nov. 17, 1853.]

Capital, . . .	\$350,000 00	Loan, . . .	\$577,228 46
Circulation, . . .	177,642 00	Real Estate, . . .	8,400 84
Deposits, . . .	78,731 32	Checks and Bills of other Banks, . . .	2,904 00
Bank Balances, . . .	6,869 73	Bank Balances, . . .	26,714 42
Profits on Hand, . . .	26,934 25	Specie, . . .	24,929 58
	<u>\$640,177 30</u>		<u>\$640,177 30</u>
Immediate Liabilities, .	\$263,243 05	Liabilities of Directors,	\$226,942 99
Immediate Resources, .	51,548 00	Loan on Stock of the Bank, . . .	1,000 00

PEOPLE'S BANK.—ROXBURY.

[Nov. 29, 1853.]

Capital, . . .	\$150,000 00	Loan, . . .	\$298,389 33
Circulation, . . .	87,059 00	Real Estate, . . .	—
Deposits, . . .	80,797 77	Checks and Bills of other Banks, . . .	1,250 11
Bank Balances, . . .	—	Bank Balances, . . .	18,434 55
Profits on Hand, . . .	9,775 89	Specie, . . .	9,558 67
	<hr/> \$327,632 66		<hr/> \$327,632 66
Immediate Liabilities, . . .	\$167,856 77	Liabilities of Directors, . . .	\$35,158 93
Immediate Resources, . . .	29,243 33	Loan on Stock of the Bank, . . .	5,410 85

BANK OF COMMERCE.—BOSTON.

[Nov. 30, 1853.]

Capital, . . .	2,000,000 00	Loan, . . .	\$3,366,276 33
Circulation, . . .	469,569 00	Real Estate, . . .	14,637 16
Deposits, . . .	1,085,595 80	Checks and Bills of other Banks, . . .	583,604 65
Bank Balances, . . .	883,917 73	Bank Balances, . . .	386,655 57
Profits on Hand, . . .	133,144 38	Specie, . . .	220,993 20
	<hr/> 4,572,166 91		<hr/> \$4,572,166 91
Immediate Liabilities, . . .	2,439,022 53	Liabilities of Directors, . . .	\$353,329 00
Immediate Resources, . . .	1,191,253 42	Loan on Stock of the Bank, . . .	40,740 38

A G G R E G A T E

OF THE FOREGOING STATEMENTS.

Capital,	\$8,640,000 00
Circulation,	5,459,866 00
Deposits,	3,515,874 00
Bank Balances,	1,075,173 00
Profits on Hand,	740,184 00
	<u>\$19,431,097 00</u>
Loan,	\$16,073,237 00
Real Estate,	177,972 00
Stock,	3,500 00
Checks and Bills of other Banks,	772,538 00
Bank Balances,	1,866,450 00
Specie,	537,400 00
	<u>\$19,431,097 00</u>
Immediate Liabilities,	\$10,050,913 00
Immediate Resources,	3,176,388 00
Liabilities of Directors,	1,949,853 00
Loan on Stock of the Banks,	139,073 00

SUMMARY,

Exhibiting rates of Exchange charged by each of the thirty-two Banks named in the preceding tables.

1.

BUNKER HILL BANK, Charlestown.—On New York and Philadelphia, one-fourth of one per cent.

2.

NAUMKEAG BANK, Sailem.—On Philadelphia and Baltimore, one-fourth of one per cent. Boston and New York, nothing. On other places, generally, enough to cover expense of collecting.

3.

LEE BANK, at Lee.—On Boston and New York, nothing. Philadelphia and Baltimore, $\frac{1}{4}$ to 1 per cent. Charleston and Chicago, $1\frac{1}{2}$ per cent. Providence, Hartford, &c., $\frac{1}{4}$ per cent.

4.

HOUSATONIC BANK, Stockbridge.—No charge for exchange beyond what it costs to collect.

5.

WESTERN BANK, Springfield.—Charge for exchange varies with the time the paper has to run. On Boston, New York, Philadelphia, Albany, Providence, Hartford and Portland, $\frac{1}{4}$ per cent. Buffalo, $\frac{1}{2}$ per cent. Baltimore, Charleston, New Orleans, &c., "uncertain."

6.

OCEAN BANK, Newburyport.—Charge for exchange "varies, according to amount, time and other circumstances." On Boston, nothing. New York, par to 1 per cent. Baltimore, $\frac{1}{2}$ to 1 per cent. Philadelphia, $\frac{1}{4}$ to 1 per cent. Charleston, $1\frac{1}{2}$ to 2 per cent. New England generally, $\frac{1}{2}$ per cent.

7.

HAMPDEN BANK, Westfield.—Charge no more exchange than what it costs to collect.

8.

MALDEN BANK, Malden.—On Boston and New York, $\frac{1}{4}$ to $\frac{1}{2}$ per cent. Baltimore, $\frac{3}{4}$ per cent. Charleston and Buffalo, $1\frac{1}{4}$ per cent. Mobile, New Orleans, and Louisville, 2 per cent. Hartford, Providence, Lowell, Springfield, &c., $\frac{1}{2}$ per cent.

9.

TRADESMAN'S BANK, Chelsea.—Sometimes varies with the time the paper has to run. Seldom charge any thing on Boston. On New York, Philadelphia, Providence, and Lowell, $\frac{1}{2}$ per cent. Cincinnati and St. Louis, $1\frac{1}{2}$ to $1\frac{1}{2}$ per cent. Salem, $\frac{1}{4}$ to $\frac{1}{2}$ per cent.

10.

WORCESTER BANK, at Worcester.—Charge on all paper payable out of Worcester; charge varies with time the paper has to run. On New York, Philadelphia, Baltimore, Albany, and Providence, $\frac{1}{2}$ to 1 per cent. On Cincinnati and St. Louis, $1\frac{1}{2}$ to 2 per cent.

11.

OXFORD BANK, at Oxford.—Charge varies with the time the paper has to run. On Boston, $\frac{1}{4}$ to $\frac{1}{2}$ per cent. New York, $\frac{1}{2}$ per cent. Philadelphia, $\frac{1}{2}$ to $\frac{3}{4}$ per cent. Charleston, $1\frac{1}{2}$ per cent. Cincinnati, $1\frac{1}{2}$ to 2 per cent. Albany, Providence, and Hartford, $\frac{1}{2}$ per cent.

12.

ROCKPORT BANK, at Rockport.—On Boston, Providence, Hartford, Portland, and Springfield, $\frac{1}{4}$ per cent.; charge varies with the time the paper has to run.

13.

MECHANICS' BANK, Boston.—On New York, par to $\frac{1}{2}$ per cent. Philadelphia, $\frac{1}{4}$ to $\frac{3}{4}$ per cent. Charleston, $\frac{1}{2}$ to $1\frac{1}{2}$ per cent. Lowell and New Bedford, $\frac{1}{4}$ to $\frac{1}{2}$ per cent. St. Louis, 2 per cent.

14.

MATTAPAN BANK, Dorchester.—On Boston, par to $\frac{1}{2}$ per cent. New York, Philadelphia, Providence and Portland, $\frac{1}{2}$ per cent. Nantucket, $\frac{1}{2}$ to 1 per cent.

15.

MERRIMACK BANK, Haverhill.—Charge varies with the time the paper has to run. On Boston and New York, $\frac{1}{4}$ to $\frac{3}{4}$ per cent. Baltimore and Philadelphia, $\frac{3}{4}$ to 1 per cent. Charleston, 1 to 2 per cent. Cincinnati, $1\frac{1}{2}$ to $2\frac{1}{2}$ per cent. Portland, $\frac{3}{4}$ to 1 per cent.

16.

CAMBRIDGE MARKET BANK, at Cambridge.—Charges vary with the time the paper has to run. On Boston, $\frac{1}{4}$ to $\frac{1}{2}$ per cent. New York, $\frac{1}{2}$ to 1 per cent.

17.

LAIGHTON BANK, Lynn.—Charges vary with the time paper has to run. On Boston, $\frac{1}{4}$ per cent. New York and Salem, $\frac{1}{4}$ to $\frac{1}{2}$ per cent. Philadelphia, $\frac{1}{2}$ to 1 per cent. Cincinnati, St. Louis, Pittsburg, and Chicago, 2 per cent. Mobile, New Orleans, and Louisville, $1\frac{1}{2}$ to 2 per cent. Providence, Hartford, New Bedford, &c., $\frac{1}{2}$ per cent.

18.

VILLAGE BANK, Danvers.—Charges vary with the time paper has to run. On Boston, usually nothing. New York, $\frac{1}{4}$ to $\frac{1}{2}$ per cent. Philadelphia and Baltimore, $\frac{1}{2}$ per cent. Charleston, Louisville, Cincinnati, and Pittsburg, 1 to $1\frac{1}{2}$ per cent. Providence, Hartford, Portland, &c., $\frac{1}{2}$ per cent. Sometimes charge higher than here named, but these are the usual rates.

19.

MERCHANTS' BANK, New Bedford.—Very rarely charge exchange on Boston or New York; have charged, in some few instances, $\frac{1}{4}$ to $\frac{1}{2}$ per cent. Providence, $\frac{1}{4}$ per cent. Philadelphia, $\frac{1}{4}$. Baltimore, $\frac{3}{8}$. Hartford, Portland, Salem, &c., "generally charge about what we have to pay."

20.

PACIFIC BANK, Nantucket.—Charges vary with the time the paper has to run. On Boston, usually nothing. New York, Philadelphia, and Albany, $\frac{1}{2}$ per cent. Baltimore, $\frac{3}{4}$ per cent. Providence and Hartford, $\frac{1}{4}$ per cent.

21.

MARINE BANK, New Bedford.—On Boston and New York, nothing. Philadelphia, Baltimore, Providence, and Nantucket, $\frac{1}{4}$ to 1 per cent. On other places charge whatever Boston and New York charge them.

22.

WAREHAM BANK, at Wareham.—On Boston, $\frac{1}{4}$ per cent. New York, $\frac{1}{4}$ to $\frac{1}{2}$ per cent. Philadelphia and Baltimore, $\frac{1}{2}$ per cent. Charleston, $1\frac{1}{2}$ per cent. Albany, Providence, and Hartford, $\frac{1}{2}$ per cent.

23.

MAHAIWE BANK, Great Barrington.—On Boston, $\frac{1}{4}$ per cent. New York, usually $\frac{1}{2}$ per cent.

24.

WESTFIELD BANK, at Westfield.—No charge on paper discounted, payable in Boston or New York.

25.

QUINSIGAMOND BANK, Worcester.—Charges vary with the time the paper has to run. On Boston, $\frac{1}{4}$ per cent. New York, Philadelphia, and Albany, $\frac{1}{2}$ to 1 per cent. Baltimore, $\frac{3}{4}$ to 1 per cent. Charleston, Mobile, New Orleans, &c., $1\frac{1}{2}$ per cent. Providence, Hartford, Springfield, &c., $\frac{1}{2}$ per cent.

26.

MECHANICS' BANK, Worcester.—Charges vary with the time the paper has to run. On Boston, $\frac{1}{4}$ to $\frac{3}{4}$ per cent. New York, Philadelphia, Baltimore, Providence, and Hartford, $\frac{1}{4}$ to 1 per cent. New Orleans, Louisville, Cincinnati, St. Louis, Pittsburg, and Buffalo, $1\frac{1}{2}$ to 2 per cent. Providence and Hartford, $\frac{1}{4}$ to 1 per cent. Springfield, Portland, &c., $\frac{1}{4}$ to $\frac{3}{4}$ per cent.

27.

NEWTON BANK, at Newton.—Charges vary with the time the paper has to run. On Boston, nothing to $\frac{1}{2}$ per cent. New York, Albany, Salem, and Newburyport, $\frac{1}{4}$ to $\frac{3}{4}$ per cent. Philadelphia and Baltimore, $\frac{1}{2}$ to 1 per cent. New Orleans and Mobile, 1 to $2\frac{1}{2}$ per cent. Providence, Hartford, Springfield, &c., $\frac{1}{4}$ to 1 per cent.

28.

FREEMAN'S BANK, Boston.—On New York, $\frac{1}{2}$ to 1 per cent. Philadelphia and Baltimore, $\frac{1}{4}$ to 1 per cent. Charleston and Cincinnati, 1 to $1\frac{1}{2}$ per cent. New Orleans and Buffalo, 1 per cent. Albany, Hartford, Portland, New Bedford, and Springfield, $\frac{1}{4}$ to 1 per cent.

29.

MERCHANTS' BANK, Salem.—On Boston, nothing. New York, nothing to $\frac{1}{2}$ per cent. Philadelphia, $\frac{1}{4}$ to $\frac{3}{4}$ per cent. Baltimore, $\frac{1}{4}$ to $\frac{3}{4}$ per cent.

30.

FALL RIVER BANK, at Fall River.—On Boston and New York, $\frac{1}{4}$ per cent. Philadelphia, Baltimore, Albany, and Hartford, $\frac{1}{2}$ per cent. New Bedford and Providence, $\frac{1}{4}$ per cent.

31.

PEOPLE'S BANK, Roxbury.—On Boston, nothing. New York, Philadelphia, Baltimore, and Hartford, $\frac{1}{4}$ to $\frac{1}{2}$ per cent. New Bedford and Providence, $\frac{1}{4}$ per cent.

32.

BANK OF COMMERCE, Boston.—On New York, Philadelphia, Baltimore, Hartford, and Springfield, $\frac{1}{2}$ per cent. Charleston, Mobile, New Orleans, Cincinnati, &c., $1\frac{1}{2}$ per cent. Providence, Lowell, New Bedford, and Salem, $\frac{1}{4}$ per cent.

The following is a list of the banks of discount and circulation visited by the Commissioners during this year.

Banks visited by the Commissioners—1853.

Counties.	Cities or Towns.	Names of Banks.	First day of Examinat'n
SUFFOLK,	Boston, . .	Globe,	Jan. 18.
	Boston, . .	Eagle,	" 27.
	Boston, . .	Atlantic,	Feb. 1.
	Boston, . .	North America,	" 8.
	Boston, . .	Merchants',	" 11.
	Boston, . .	Cochituate,	" 21.
	Boston, . .	Shawmut,	" 25.
	Boston, . .	Hamilton,	March 3.
	Boston, . .	New England,	" 9.
	Boston, . .	Washington,	" 14.
	Chelsea, . .	Tradesman's,	Aug. 18.
	Boston, . .	Mechanics',	Sept. 2.
	Boston, . .	Freeman's,	Oct. 31.
	Boston, . .	Bank of Commerce,	Nov. 30.
ESSEX, .	Salem, . .	Exchange,	March 22.
	Salem, . .	Commercial,	" 23.
	Haverhill, . .	Union,	April 19.
	Newburyport, . .	Mechanics',	" 20.
	Salem, . .	Naumkeag,	June 30.
	Newburyport, . .	Ocean,	Aug. 3.
	Rockport, . .	Rockport,	" 31.
	Haverhill, . .	Merrimack,	Sept. 14.
	Lynn, . .	Lighton,	" 21.
	Danvers, . .	Village,	" 23.
	Salem, . .	Merchants',	Nov. 10.
MIDDLESEX, .	Charlestown, . .	Bunker Hill,	June 23.
	Malden, . .	Malden,	Aug. 16.
	Cambridge, . .	Cambridge Market,	Sept. 19.
WORCESTER,	Worcester, . .	Central,	April 4.
	Millbury, . .	Millbury,	" 5.
	Southbridge, . .	Southbridge,	May 4.
	Leicester, . .	Leicester,	" 6.
	Worcester, . .	Worcester,	Aug. 23.
	Oxford, . .	Oxford,	" 25.
	Worcester, . .	Quinsigamond,	Oct. 24.
	Worcester, . .	Mechanics',	" 26.
HAMPSHIRE, .	Northampton, . .	Holyoke,	April 26.
	Ware, . .	Hampshire Manufacturers',	May 3.
HAMPDEN, .	Chicopee, . .	Cabot,	April 27.
	Springfield, . .	Chicopee,	" 28.
	Springfield, . .	Western,	July 27.
	Westfield, . .	Hampden,	Aug. 9.
	Westfield, . .	Westfield,	Oct. 21.

Banks, Etc.—Continued.

Counties.	Cities or Towns.	Names of Banks.	First day of Examinat'n
BERKSHIRE, .	Lee, . . .	Lee,	July 14.
	Stockbridge, .	Housatonic,	" 15.
	Gt. Barrington,	Mahaiwe,	Oct. 19.
NORFOLK, .	Canton, . . .	Neponset,	March 17.
	Dorchester, .	Mattapan,	Sept. 9.
	Newton, . . .	Newton,	Oct. 28.
	Roxbury, . .	Peoples',	Nov. 29.
BRISTOL, .	Taunton, . . .	Bristol County,	March 29.
	Taunton, . . .	Machinists',	" 30.
	New Bedford, .	Merchants',	Oct. 5.
	New Bedford, .	Marine,	" 12.
	Fall River, . .	Fall River,	Nov. 17.
PLYMOUTH, .	Plymouth, . .	Plymouth,	April 12.
	Wareham, . .	Wareham,	Oct. 13.
NANTUCKET,	Nantucket, . .	Pacific,	" 10.

These banks, fifty-eight in number, in various parts of the Commonwealth, have been visited without notice, and the investigation, in every instance, has been of a character enabling us to ascertain their general "condition and conduct," upon which, under the law, it is a primary duty of the Commissioners to report annually, making such suggestions as shall be deemed expedient.

Various and frequently very important "suggestions," originating with committees of the legislature, or former Bank Commissioners, have heretofore been made, arising out of practices of the banks which still prevail to some extent. We take occasion to notice the Reports of the Board of Bank Commissioners, (established just prior to the expiration of most of the bank charters of the State,) whose duty it was, in part, to propose amendments of the banking system. This duty was ably and faithfully discharged by that Board. Their Reports are replete with practical suggestions upon our banking laws in general, and judicious and timely references to defects of the system, or practices under it, most deserving of public attention and the interposition of the legislature. (Appendix, No. 2.)

We shall refrain from repeating the recommendations now referred to, except in cases where forbearance would be at variance with duty.

The dividends of profits by the banks, the past year, have been large, and afford presumptive evidence of their good condition. The institutions referred to by us last December, as omitting to make dividends in the preceding October, have since been enabled, in most instances, to divide as usual.

In general, we have to state in reference to the "condition" of the banks, that it is satisfactory ; inasmuch as their assets, other than and in addition to specie items, constitute an apparently ample resource to meet their liabilities ; the loan, though much extended, being based on the diversified transactions of the community about them, arising out of the rapidly extending business of the country. Some modifications of this opinion will be made as we proceed.

The "general conduct" of the banks, almost necessarily, it would seem, to be inferred from their condition, we are glad to state, is worthy of commendation in very many particulars. In most cases, the success of the institutions, rather than their own accommodation, seems to be the aim of those connected with their management. In illustration of this, we may point to the comparative diminution of the liabilities of Directors, as exhibited in Tables Nos. 5 and 6.

Perhaps, however, too often, success, or the advancement of the stock, becomes paramount to the great end, as contemplated by the legislature in the establishment of banks—the accommodation of the public, and, more particularly, of the vicinity ; for we have, in some instances, noticed a prevailing disposition to make loans to applicants from distant States, without due regard to the wants of the neighborhood ; a practice we have not failed to scrutinize, and the propriety of which we have felt called on to question ; especially when such loans are (what, however, we have not found common,) unaccompanied by abundant collateral security, or a sound party, within the Commonwealth. We do not undertake to say, that at present, loans of this description exist to an extent or of a character to put in jeopardy the interests of the institutions in which they are found ; but, we hold it to be an important rule, to supply first,

and chiefly the home demand, always presumed to exist, for the grant of the charter presupposes it. And, though the prospect of increased circulation and the temptation of exchange may hold out inducements to depart from such a general rule, and tend for a time to increase the dividends, still, the bank that confines itself to a supply of the necessities of its own vicinity, alone realizes the object for which it was created.

In the present vastly extended business of the Commonwealth, the banks are strongly tempted, through a desire to make large dividends, to overrun the legal limit of their loan. Great caution is requisite on the part of bank officers in this particular; and they should never forget that the provision of the law on the subject is as clear as it is obligatory.

Some opinion may be formed of the "condition" of the banks, from the condensed statements accompanying this Report. The amount of specie and specie funds will speak for themselves. The loan, so important a feature of these statements, has been carefully examined by the Commissioners; and in these, as well as kindred investigations, we have been aided in all cases by some portion of the Directors, and occasionally by other stockholders. We feel much confidence in the soundness of the loans of the banks generally; they have not been injuriously affected to any visible extent, the past year, by the fluctuations of trade or any great commercial embarrassments or individual failures.

The amount of suspended and over-due paper in the banks, has been essentially reduced—an important fact in connection with their condition.

The subject of specie, as an element in the estimate of the "condition" of the banks, should not be passed over lightly. Undeniably, the amounts held by many of the banks are quite too small to satisfy the reasonable expectations of the public, or to evince a becoming regard for the theory which contemplates the instant conversion of every bank note issued into coin at the will of the holder. In some institutions of the highest repute and most undoubted ability, the amount of the precious metals on hand has been so small, as hardly to merit a name or place in comparison with the circulation. Suggestions from the Commissioners for immediate increase, are listened to

respectfully, and, we believe, are acted on promptly and in good faith; but it is obvious that a strong desire to increase the earnings of a bank is too apt to silence the voice of experience, and to weaken that nice regard for the sound action of the system, which ought uniformly to prevail. The confidence of the people in their moneyed institutions is great, and so long as no untoward event occurs, to undermine this confidence, bank credit will stand firm. But whatever tends to awaken popular disfavor should be carefully guarded against.

It is impolitic for any friends of the system to disregard the principle of keeping in vault a liberal supply of specie; weak banks cannot do it without danger; strong ones do injustice to themselves, by omitting the precaution. It is true the law prescribes no special amount of specie to be held by the banks; they pay a heavy tax to the State, and forego the use of a considerable sum to provide for the redemption of their notes in Boston. Yet they should remember that public attention has of late been called to this subject, and it is certainly entitled to the highest consideration. The action of the general court respecting it, at the last session, is an admonition, that, unless a liberal spirit is evinced by the banks in this particular, legislation may be resorted to for a corrective.

By section 8 of the general banking law, it is provided that "no loan or discount shall be made, nor shall any bill or note be issued by any bank, or by any person on its account, in any other place than at its banking house." And by section 34, same chapter, every bank is required to "be kept in the town in which it is established, and in such part of such town as is prescribed by its charter."

Practices have been gradually growing up in several of the banks, at variance with the provisions of law above recited. These practices, though they may have originated in a desire to accommodate bank customers, the Commissioners believe, if persisted in, might lead to a general, direct and open violation of the law. If the business of the banks were allowed to be conducted by agencies, or by officers of the banks themselves, at a distance from their own counters, and away from their own vicinities, it would be an evident perversion of the design

of the legislature in the establishment of banks. The Commissioners, therefore, after a careful scrutiny, enjoined upon the banks alluded to an immediate and entire discontinuance of these practices.

This requirement has been fully, and, as we believe, faithfully complied with. And we have quoted above the provisions of the law on the subject, to the end that their directness and explicitness may be seen and appreciated.

The Commissioners, under the obligations which rest upon them, must necessarily be watchful in regard to this matter; and they will not fail to notice any tendency, in the transactions of the banks, to overlook the requirements of the law.

It will appear by Table No. 3, that the total emission of bank notes is reported distinctly from the usual statement of circulation. The law declares that "the amount of bills issued by any bank, shall not, at any one time, exceed the amount of stock actually paid in, more than twenty-five per cent." It will be seen by reference to the table, that the emission greatly exceeds the circulation, embracing, as it does, all the bills of the banks, whether at home or abroad. It is to be regretted that so great latitude exists in regard to the making of bills at pleasure; there is great hazard in it, and the consequences may be disastrous.

In the absence of any legislation defining the character of the plate, or regulating the custody of bills, signed and unsigned, it seems natural that some uneasiness should prevail upon the subject, and we cannot forbear to refer to the want of uniformity, on the part of Presidents and Cashiers, but chiefly the former, in maintaining proper checks upon each other in the preparation of bank notes for circulation.

The suggestion may be made, that the legislature may deem it advisable to provide for the registry of all notes or bills authorized to be issued or put in circulation as money. But, in the absence of such legislation, we deem it the part of ordinary prudence to require an exact account to be kept of all bills, as they come from the hands of the engraver, the President being made the depositary of them, in the first instance, and being required to keep a precise statement of the disposi-

tion made of them. The same officer should also keep a counterpart of the bank note account now exhibited by the Cashiers in general.

It is not to be understood that this subject is overlooked entirely by the presiding officers of banks. In some institutions the most scrupulous exactness is practised, so that the President holds the materials for verifying, at any time, the statements of the Cashier, and thus manifests a proper sense of responsibility. We think that both the President and the Cashier should be able to exhibit, at once, the amount of bills, not only outstanding in the cash, and issued or circulated as such, but the actual amount of paper in the vault unsigned; and, as an antecedent to all this, the aggregate of all the orders ever filled for the bank by the engraver.

The law provides that all bills of a bank, "signed by either the President or Cashier thereof, which shall be in circulation, through the agency or neglect of any officer of the bank, shall be redeemed by the corporation." But the law prescribes no such duty as the keeping of a register of bills; the bank is not bound by law to keep one. Such registers are kept in most banks, but with very different degrees of exactness. Hence, if bills wanting the genuine signature of either of the officers, find their way into circulation, it will not be found an easy task to trace directly to the bank that kind and degree of agency or neglect, requisite to make it liable for the amount of the notes.

Every new impression, and every new issue, should be authorized by express vote of the Directors; and care should be taken that bills be ordered, as nearly as possible, only when they are wanted for use. Very few, or none at all, need be retained in blank. In several banks it is a rule not to keep any on hand.

This topic has been much discussed between bank officers and the Commissioners. Many coincide with us in opinion; while sometimes the danger from accident or fraud resulting from the foregoing considerations, has been regarded as a remote contingency; but the contingency is one that has happened, and may happen again; and consequently, we think, should not be passed over with indifference.

The importance of this subject will appear more fully by an examination of two cases reported in the 17th volume of Massachusetts Reports: *Sal m Bank vs. Gloucester Bank—Gloucester Bank vs. Salem Bank*. These actions arose out of the loss of a large amount of bills purporting to be the notes of the Gloucester Bank, which, after the Cashier had signed them, were stolen, and the signatures, of the President forged thereon. (See Appendix, No. 3.)

“Bank Returns” are required by law to be made as of the first Saturday of such preceding month as the governor may designate. More frequent returns are deemed to be desirable. The *average* of all the monthly returns usually prepared to meet the contingency of a call, might easily be rendered at the time of making the annual return. Monthly returns were proposed by a former Board of Commissioners, and no serious objection to such a measure occurs to us. The objection has been made, that such a requisition would demand considerable additional clerical force. The reasonableness of this objection is by no means apparent, it being the practice of almost every institution, and the manifest duty and interest of all, to prepare, once or twice a week, and place upon record, statements of their liabilities and resources. Some requirement, by law, of additional returns, is due to those institutions that desire to stand on their own merits, and its utility is conceded by very many intelligent bank officers. The banking system is so intimately connected with all business transactions, that a pervading interest is felt in every thing pertaining to it; and, therefore, the condition of the banks should be as fully made known to the public, as the nature of the case will admit.

By a recent law of the State of New York, weekly returns are required from the banks of the city of New York, and the avidity with which they are looked for, and the freedom with which they are discussed, furnish ample testimony of their importance. Perhaps the propriety of a similar law, with reference to the city of Boston, may deserve consideration. Good institutions will court scrutiny; doubtful or feeble ones will be induced to put themselves in proper condition for the ordeal of public opinion.

We give, in the Appendix, (see Note 4,) the law of the State of New York, to which we refer.

It will appear, by the general bank abstracts, that considerable diversity prevails, in the mode of stating the returns annually made under the executive call, particularly in reference to "net profits on hand," and "time of declaring last dividend." It is respectfully submitted, whether greater uniformity, and more precision might not be obtained, by an amendment of the law.

In the Report of the Bank Commissioners of 1839, we find the following statement:—"The amount of circulation is differently estimated at different banks. All the banks redeem their bills in Boston. Some send for their bills, thus redeemed, every day, others once a week, and others again, when convenient; so that some banks will have none, some but few, and others very large amounts of redeemed bills lying in Boston. But, in making out their returns, some banks return as in circulation, all their bills which are out of the bank, though a large part, perhaps, may have been redeemed, and may be then lying in Boston; others wait to hear how many of their bills have been redeemed, and then return only the actual circulation. This difference is not of great practical consequence, inasmuch as the item of 'balances due from other banks,' on the other side of the account, will be too large by just the amount of bills lying redeemed in Boston. In one view, it may be deceitful. A bank may appear to have a generous circulation, with a large balance in other banks to redeem it, when, in truth, it may be struggling on, with its account overdrawn in Boston, though its actual circulation may be very small."

The same practice, in making returns, now exists. Most of the banks still return the bills actually redeemed and belonging to them, but lying in Boston, as a part of their circulation. We think this wrong, and that all bills belonging to the banks, having been charged to them by the Boston bank, should be credited to the Boston bank and considered out of circulation. One bank has come under our observation, that stated its circulation at one-third more than it really was, and, if it had credited the Boston bank for the bills that were redeemed and

charged there, it would have reduced its immediate resources about seventy-five per cent. Another bank stated its circulation at forty-five per cent. more than it really was; and if it had credited to the Boston bank the bills that were redeemed and charged there, it would have left the bank largely indebted to the Boston bank.

The practice of taking exchange by the banks, has been freely commented on in former Reports. The rates of exchange, owing to the pressure on the money market, have not been diminished during the year. Whenever the banks look to this as a source of profit, they depart from their proper sphere, by making that a primary pursuit, which is only permitted as incidental to their business.

The great inequalities which exist in this respect, may be seen in the Summary appended to the Abstracts, which will also present such information on the subject, generally, as we have been able to obtain.

Cashiers of banks are not required, by law, to be sworn to the faithful discharge of their duties. It is, perhaps, worthy of consideration, whether the taking of an oath should not be made an essential qualification, for an office of such responsibility and importance.

It is the practice with some banks, to hold an election of Cashier annually, in which cases, care is requisite, in so framing his official bond, that it may have reference to his conduct under future elections. The rule established by the supreme court, on this subject, is, that "where it appears, by the recital of the bond, or the records of the corporation, that his office is annual, the bond extends only to defaults during the year." But where it does not so appear, even though the Cashier is elected annually, the bond continues in force during his whole continuance in office.

It is understood that the case still pending, in which the Cochituate Bank is interested, and which was referred to in our second Annual Report, is about being presented for the consideration of the court, upon an agreed statement of facts.

An Act, approved May 25th, 1853, requires, that "a majority of the Directors of every bank shall be residents, or have their places of business within the county where the bank is established, or within ten miles of the bank."

In the absence of any special time fixed by law for that purpose, the banks newly chartered in the city of Boston, the present year, held their annual meetings for the choice of officers subsequently to the time on which the last meeting was held by any one of the preëxisting banks, commencing on the day next succeeding such last meeting, and holding them in the order, respectively, which such new banks take in the publication of the Acts and Resolves for 1853—the date of their charters being simultaneous.

Allusion was made, in our preceding Report, to the New England Association for the Detection of Counterfeiters, which is receiving the aid of the State to the amount of \$2,500 per annum, for five years, from May, 1852, under certain conditions.

The whole subject of the counterfeiting and altering of bank notes, and their proper remedies, occupies much of the attention of business men and bank officers, and in reference to it now, we present in the Appendix, (Nos. 5 and 6,) a communication from the Cashier of the Columbian Bank. (Secretary of the New England Association,) and a letter from the President of the Tremont Bank, both of which contain valuable information and suggestions, and evince a commendable interest in the subject.

By an Act of the Commonwealth, May 25th, 1853, "to facilitate the detection, and prevent the circulation of counterfeit bank bills," it is provided, that any bank established by authority of this Commonwealth, which shall receive a counterfeit bank bill from any other bank or person, shall write or stamp the same as "counterfeit;" adding the name of the bank, and initials of its officer making such stamp or writing

An "altered" bank bill is to be stamped or written upon, in a way to give notice of such alteration.

We have reason to believe that this law has had a salutary

effect, as it prevents counterfeits from again obtaining circulation, (as has frequently been the case, heretofore,) after their detection and return to depositors, in consequence of fraud or neglect on the part of holders.

SAVINGS BANKS.

In former Reports, the early history of Savings Banks has been investigated in connection with the legislation of this Commonwealth. It is evident that the public are deeply interested in them; and the extent of that interest may be learned from the subjoined statement, showing the increase, in number and amount, of deposits, since 1834.

Year.	Number of Depositors.	Amount of Deposits.	Year.	Number of Depositors.	Amount of Deposits.
1834	24,256	\$3,407,773 90	1844	49,699	\$8,261,345 18
1835	27,232	3,921,370 83	1845	58,178	9,813,287 56
1836	29,786	4,374,578 71	1846	62,893	10,680,933 10
1837	32,564	4,781,426 29	1847	68,312	11,780,812 74
1838	33,063	4,869,392 59	1848	69,894	11,970,447 64
1839	36,686	5,608,158 75	1849	71,629	12,111,553 64
1840	37,470	5,819,553 60	1850	78,823	13,660,024 34
1841	41,423	6,714,181 94	1851	86,537	15,554,088 58
1842	42,587	6,900,451 70	1852	97,353	18,401,307 86
1843	43,217	6,935,547 07	1853	117,404	23,370,102 33

The following Table shows the names and location of the savings institutions examined by the Commissioners during the past year, and the dates of their visits; the number examined was thirty-three :—

Savings Banks Visited by the Commissioners—1853.

Counties.	Cities or Towns.	Names of Institutions.	Date of Examinat'n
SUFFOLK, .	Boston, .	East Boston Savings Bank, .	Sept. 16 .
	Boston, .	Suffolk Savings Bank, for Sea- men and others,	Nov. 3
	Boston, .	Provident Institution for Savings, .	" 7
ESSEX, .	Lawrence, .	Essex Savings Bank,	Aug. 2
	Lynn, .	Lynn Institution for Savings, .	Sept. 20
	Danvers, .	Danvers Savings Bank,	" 22
	Salem, .	Salem Savings Bank,	Nov. 11
MIDDLESEX, .	Charlestown, .	Warren Institution for Savings, .	Aug. 5
	Cambridge, .	Savings Institution in the town of Cambridge,	Sept. 8
	Lowell, .	Lowell Institution for Savings, .	" 12
	Lowell, .	City Institution for Savings, .	Nov. 21
WORCESTER, .	Concord, .	Middlesex Institution for Savings, .	" 22
	Southbridge, .	Southbridge Savings Bank, . .	May 5
	Worcester, .	Worcester County Institution for Savings,	Aug. 24
HAMPSHIRE, .	Ware, .	Ware Savings Bank,	May 4
	Northampton, .	Northampton Institution for Sav- ings,	Aug. 10
HAMPDEN, .	Springfield, .	Springfield Institution for Savings, .	July 18
FRANKLIN, .	Greenfield, .	Franklin Savings Institution, .	Aug. 11
BERKSHIRE, .	Lee, .	Lee Savings Bank,	July 12
	Pittsfield, .	Berkshire County Savings Bank, .	" 13
	Adams, .	North Adams Savings Bank, . .	Oct. 18
	Canton, .	Canton Institution for Savings, .	Mar. 18
NORFOLK, .	Quincy, .	Quincy Savings Bank,	June 16
	Roxbury, .	Institution for Savings in Rox- bury and its vicinity,	" 17
	Cohasset, .	Cohasset Savings Bank,	Sept. 5
	Weymouth, .	Weymouth and Braintree Insti- tution for Savings,	" 6
BRISTOL, .	Newton, .	Institution for Savings in the town of Newton,	Oct. 28
	Dedham, .	Dedham Institution for Savings, .	Nov. 15
	Taunton, .	Bristol County Savings Bank, . .	Mar. 31
	New Bedford, .	New Bedford Institution for Sav- ings,	Oct. 6
PLYMOUTH, .	Fall River, .	Fall River Institution for Savings, .	Nov. 16
NANTUCKET, .	N. Bridgewater, .	North Bridgewater Savings Bank, .	April 18
	Nantucket, .	Nantucket Institution for Savings, .	Oct. 11

Twenty-eight of the above-named institutions have been examined since the 13th of May last ; and their condition will appear in the following statement :—

No. 10.—Statement of the condition of the Savings Banks, visited by the Commissioners since May 13, 1853.

NAME OF INSTITUTION.	Location.	Date of examination.	No. of Depositors.	Amount due Depositors.	Amount of Deposits by Religious or Charitable Associations.	Average Annual expenses for last five years.	Rate of ordinary Divid's. per cent. for the last y'r.	Average Annual per cent of Dividends for the last five years.	Amount of Dividends or reserved profits during the last five years.	Rate per cent. of extra dividend.
Quincy Savings Bank,	Quincy, .	June 16,	670	\$118,394 98	\$171 36	\$266 57	5	6 ⁸ / ₁₀	\$1,405 41	—
Institution for Savings in Roxbury and vicinity,	Roxbury, .	" 17,	1,167	211,014 26	230 46	1,040 00	4	7 ¹ / ₁₀	—	—
Lee Savings Bank,	Lee, .	July 12,	143	15,569 07	757 08	171 21	5	7	—	—
Berkshire County Savings Bank,	Pittsfield, .	" 13,	440	73,706 93	1,306 66	158 64	5	7	916 02	—
Springfield Institution for Savings,	Springfield, .	" 18,	2,574	552,091 36	226 00	900 00	5	9 ³ / ₁₀	11,322 09	15
Essex Savings Bank,	Lawrence, .	Aug. 2,	780	113,936 85	927 00	88 82	4	9 ⁵ / ₁₀	4,022 48	25
Warren Institution for Savings,	Charlestown, .	" 5,	2,552	494,897 44	5,902 30	1,026 48	4	8	25,169 63	20
Northampton Institution for Savings,	Northampton, .	" 10,	279	35,348 03	161 14	67 65	5	7	—	10
Franklin Savings Institution,	Greenfield, .	" 11,	1,143	236,601 63	—	225 00	5	7	6,678 00	10
Worcester County Institution for Savings,	Worcester, .	" 24,	8,666	1,604,840 42	368 70	2,185 02	5	7 ¹ / ₁₀	123,825 60	—
Cohasset Savings Bank,	Cohasset, .	Sept. 5,	243	47,386 48	603 92	103 72	5	7 ¹ / ₁₀	921 55	—
Weymouth & Braintree Institution for Savings,	Weymouth, .	" 6,	752	135,804 60	602 34	150 00	5	6 ⁹ / ₁₀	2,548 28	15
Institution for Savings in the town of Cambridge,	Cambridge, .	" 8,	1,002	163,120 51	800 00	550 00	4	7	—	—
Lowell Institution for Savings,	Lowell, .	" 12,	5,920	1,101,661 64	1,250 00	2,300 00	4	7 ¹ / ₁₀	64,334 22	—
East Boston Savings Bank,	Boston, .	" 16,	360	59,555 40	—	238 53	4	—	—	—
Lynn Institution for Savings,	Lynn, .	" 20,	1,493	176,087 93	1,370 35	407 15	5	6	1,991 41	—
The Danvers Savings Bank,	Danvers, .	" 22,	738	110,322 81	1,059 29	187 00	5	—	—	—
The New Bedford Institution for Savings,	New Bedford, .	Oct. 6,	5,179	1,448,762 08	3,860 12	1,287 89	5	5 ³ / ₁₀	17,396 30	—
Nantucket Institution for Savings,	Nantucket, .	" 11,	934	254,188 91	304 71	490 00	5	5	—	—

North Adams Savings Bank,	Oct. 18,	126	23,037 45	709 09	50 00	5	-	-	-
Institution for Savings in the town of Newton,	" 28,	117	8,982 23	-	31 00	4	6	457 45	-
Suffolk Savings Bank for Seamen and others,	Nov. 3,	7,467	1,880,600 08	-	5 458 80	4	8	121,308 88	20
Provident Instit'n for Sav'gs in town of Boston,	" 7,	27,909	5,299,345 52	-	14,064 19	4	8	432,099 76	-
Salem Savings Bank,	" 11,	8,422	1,632,427 32	6,000 00	2,300 00	5	5	-	-
Dedham Institution for Savings,	" 15,	2,136	451,382 76	1,845 00	924 76	4	6 ^{9.2} ₁₀₀	27,529 58	-
Fall River Institution,	" 16,	4,499	1,309,731 59	9,019 80	2,275 07	7	6 ^{1.06} ₁₀₀	-	-
City Institution for Savings in Lowell,	" 21,	2,972	666,608 29	-	751 27	5	7 ³ ₁₀₀	12,852 95	-
Middlesex Institution for Savings,	" 22,	1,768	427,555 92	981 91	719 60	4	7	26,295 93	-
		90,451	\$18,652,992 49	-	-	-	-	-	-

Average Amount of Deposit for each Depositor, \$206.^{2.2}₁₀₀.

As before remarked, the whole number of savings banks	
in operation December 31, 1852, was,	54
Since reported as having gone into operation,	7
	<hr/> 61

The institutions that have commenced operations since the date of our last Annual Report, are the Seaman's Savings Bank, at Provincetown, and the six following, which were chartered at the last session of the Legislature :—

Abington Savings Bank, at Abington.	
Dorchester “ “ Dorchester.	
Waltham “ “ Waltham.	
Westfield “ “ Westfield.	
Cambridgeport “ Cambridge.	
Rockport “ “ Rockport.	

So popular is the principle of such banks, that voluntary associations of the kind have sprung up in some of our manufacturing villages; and in portions of the State, individuals having, from their position, important facilities, are doing the business appropriate to savings banks, thus standing in an attitude of rivalry with these beneficent institutions.

Many of the savings banks have become very largely expanded; and it may be suggested, as a proper inquiry, whether this absorbing of capital, without some limitation of amount, be advisable and expedient. This question has received attention in the State of New York, where a law has been passed, restricting savings banks hereafter incorporated in the city of New York and in the county of Kings, from receiving a larger amount of deposits than three millions of dollars; and providing, also, that the rate of interest on all deposits of \$500 and under, shall be one per cent. greater than on any sum exceeding \$500; and no such savings bank can hold a larger sum than \$1,000 from any single depositor. The latter provision exists with us. In France it is understood that the maximum to be received of any one depositor, has been reduced from about \$600 to less than \$400.

These institutions in our own State have been very successful, and their management, by prudent men of business, has

been productive of incalculable good to thousands of depositors, whose means might have otherwise been wasted.

These banks should be conducted *strictly* in subordination to the general laws of the State ; and they should be held to the safe and equitable rule of dividing their profits "in just proportion" among all the depositors. They should be confined, as closely as possible, to the receiving of deposits from those who "need to be encouraged to the practice of frugality." With ordinary care, this class of persons may receive adequate returns ; and the cases will be but few, in which the sum of \$500 will be reached, especially if a distinction, similar to that referred to in New York, should be made here, in favor of the smaller depositors.

We adhere to the opinion, that the profits should be divided semi-annually, keeping on hand a surplus against casualties merely, and not with a view to a large extra dividend, at the end of every term of five years. We are fully convinced that the tendency of the plan of four per cent. annual dividends only, is to attract persons of large means, (as has been remarked in former Reports,) "to make deposits for the very purpose of availing themselves of a share in the surplus profits every fifth year." Such persons do not need, and should not seek the benefit of the gratuitous labors of the benevolent conductors of these institutions.

The Commissioners suggested, in their last Report, that the regulation of these surplus funds was a subject worthy the further attention of the legislature. Another year's experience satisfies us of the importance of providing by law against the practice of accumulating the entire profits above four per cent. to be divided, as we think, not in the "just proportion," contemplated by law.

The practice of dividing only four per cent. per annum, is becoming less frequent than heretofore. Many institutions are dividing five per cent. ; some divide six without inconvenience or hazard. Even seven per cent. has been divided in rare cases, thus realizing the true division of profits, "in just proportion," according to law.

If men of competent means, in their own names, and in the names of others, are to be allowed to make deposits for the

sake of the large surplus accruing, in great part, from the hard-earned pittance of the poorer classes, the chief design of the institution will be perverted. Where money is found in large masses, it is apt to be loaned in corresponding sums, and so not to benefit, to much extent, the industrial classes. Within suitable limits, these institutions may be useful to borrowers as well as lenders; while, without some limitation of the character indicated, there is danger of absorbing too much of the money of the country, in localities where it may be wanted by the young and enterprising, who can furnish legal security, but of a kind which the larger classes of savings banks are averse to dealing in.

In another view, it is undesirable that they should be enlarged by the contributions of the wealthy, who have no title to the services of benevolent trustees. For, it is very clear, that the savings banks of the first class will demand more time for the duties of inspection and investment, than the patrons of them can conveniently bestow. Thus there is danger that the "luxury of doing good" may become too expensive a gratification; and the business of the institutions may fall into the hands, exclusively, of salaried officers. The gratuitous oversight of them is so important, that a departure, in that respect, from the original principle, is obviously to be deprecated.

Most savings banks authorize their trustees to exercise a discretion in the declining of deposits; let them exercise this authority in the cases of those who are not of the class contemplated as suitable depositors. And if, at any time, it should be determined to limit, by law, the aggregate sum to be held, it might be fixed in the case of each particular corporation, with reference to its locality—the charter defining the amount in every instance.

There is a tendency to inadmissible investments, growing out of large surplus accumulations. We have found several cases of investments in real estate—a mode not recognized by law. Any embarrassment, in this particular, might be removed, so far as is needful, by the passage of a law authorizing the holding of real estate for purposes of business; but there is no necessity for this, in the case of the smaller institutions.

If the earnings of the savings banks are divided every six months, there will be little inducement to resort to the erection of expensive edifices, as is sometimes done, for the accommodations of business and for rents. The earnings may be so divided with advantage; they have been so, in our own State, to some extent; and we notice, that in some of the neighboring States, the dividends thus made, range from five to six per cent. per annum.

Safety is the first great object, unvaryingly to be regarded by these institutions. The interests of depositors should be placed entirely above the hazards of trade, or the risks of ordinary banking.

In this connection, we must urge the importance of separating the savings banks, as much as possible, from the banks of discount and circulation. Very many valuable bank officers are connected with the management of some of the savings institutions; but we deem it very objectionable that the offices of cashier of a bank, and treasurer of a savings institution, should be united in the same person; particularly when the directors of the one, and the investing committee of the other are identical, or nearly so. A bank, allied in this way to a savings institution, may be induced to suffer the uninvested funds of the latter to remain on deposit to an inordinate extent; as it may be paying a low rate of interest, and so may find it convenient to make these deposits the basis of extending its own operations. The danger to be apprehended from such a state of things, is, that the interests of the bank may conflict with those of the depositors in the savings institution, which the trustees are pledged to guard with a single as well as ever-watchful eye.

We take pleasure in stating, that in general the funds are kept beyond the hazards above indicated, and that the loans are generally made according to the prescribed forms. In the case of personal loans, however, deviations too frequently appear, which we regard as unauthorized. It is not unusual to find a guarantor substituted for a surety; the former being an inferior class of security to the latter.

Instances occur where a merely personal loan, or one classified as such, is fortified by other security. For instance: a

note is taken with a principal and two sureties, with the collateral support of a pledge of real or personal property. Such mixed loans are of doubtful legality, and subject the officers to unnecessary responsibility. Every investment and loan should fall clearly within the requirements of the law ; and all officers of these institutions should be constantly aware of their personal accountability for all illegal loans and investments.

The practice of loaning on merely business paper, should be avoided. Especially should the buying of bills of exchange, and the discounting of mercantile notes, be regarded as dealing in a class of securities never designed to be resorted to. Loans of this character may sometimes afford greater profits, but cannot be so safe for depositors, as the plain course marked out by the law. *Discounting* by savings banks, has no legal sanction ; and the taking of interest in advance, on notes secured by mortgage, should not be tolerated. The usage referred to is becoming less frequent, and this practice, as well as that of taking interest in advance on notes secured by mortgage, should cease entirely.

By a law of this Commonwealth, corporations are required to publish, once in five years, a list of all dividends and balances that have remained unclaimed for the space of two years, with names of persons to whose credit such balances stand. This requirement has been understood, by some few of the savings banks, to be binding, and by others it has been wholly disregarded. Many outstanding balances exist, that have not been claimed for a much longer period than two years ; but the presumption is, that a majority of them have been steadily kept in view by the depositors.

It seems difficult for the proper officers to make such a distinction, between unclaimed and unrecognized deposits, as to enable them to comply, effectually, with the law in question ; though there have been instances in which the treasurer's advertisement has afforded timely notice to depositors who had been ignorant or forgetful of their interests. It appears to us, that the officers of savings banks should be specially required, by law, to publish periodically, a list of balances, where depos-

itors have omitted, for a given period, to draw principal or interest ; and that the Commonwealth should be the trustee of all finally unclaimed sums, and hold them for the benefit of whom it may concern.

A "Sixpenny Savings Bank" is a novelty deserving of notice. One such has been established in the city of New York. A provision in its charter, declares it to be "the duty of the trustees to regulate the rate of interest to be allowed to the depositors, so that they shall receive, as nearly as may be, a ratable proportion of all the profits, after deducting all necessary expenses." And it is further provided, that all surplus funds above \$25,000, shall be ratably divided among the depositors. Should there be a call for such an institution here, we would suggest the propriety of limiting the maximum of deposits of each individual to a sum of very moderate amount.

Another recent enactment of the State of New York, provides, that it shall not be lawful for any trustee of a savings bank to be a trustee of more than one such institution at the same time ; and that trustees of savings banks shall not be directors at the same time, in any bank in which any part of the money of said savings bank shall be deposited.

So great confidence is reposed in the integrity of the treasurers of very many of our savings banks, that we frequently find the bond required of that officer to be very disproportionate to the amount of funds in his keeping. This subject is regulated by the trustees, and the law requires the treasurer to give bond "to their satisfaction." The matter, after being passed upon by them, when the institution is in its infancy, is too often overlooked as it advances. It seems proper, that the bond should have some reference to the total amount of deposits, and undergo a periodical scrutiny by the trustees, with a view to being enlarged, if needed.

The "general conduct and condition" of the savings banks may be regarded as being creditable to those who have charge of them. We have not undertaken to urge additional legislation to any extent ; certainly none that will

conflict with what seems to be the general purpose of the legislature in regard to them. We believe this may be substantially attained under the present laws with such modifications, from time to time, as the regular growth of the institutions shall render necessary.

In the earlier examinations of savings banks, a very important question arose as to the obligation of some of them, (four in number,) to make their investments in conformity with the general laws on that subject. Those institutions were chartered prior to the passage of the Corporation Act, and the laws regulating investments.

It was the opinion of the Commissioners, and so expressed in their first Annual Report, that the claims of these institutions to be exempted from the operation of these general laws, conflicted with the true policy of all savings banks; and, if allowed, would in effect deprive the legislature of an important power for the public good. The institutions referred to, were merely empowered to invest their funds "to the best advantage," the legislature not then pointing out the means of attaining that end.

By an order of the Honorable Senate, May 14, 1852, the Supreme Judicial Court was requested to furnish an opinion upon the question, "Whether 'the Provident Institutions for Savings in the town of Boston,' chartered in the year 1816, is subject to the general laws relating to savings banks and institutions for savings, passed since the granting of the charter aforesaid." The opinion of the whole court in the affirmative, appended to our last Report, was considered by us as conclusive upon the corporations immediately interested; and those institutions, with a single exception, now take the general laws as their guide in loaning and investing their funds.

The exception is the "Salem Savings Bank," where very many loans and investments exist, which are entirely and undeniably at variance with the general laws above referred to. The trustees allege that they are bound by no rule but the exercise of a sound discretion in the investments they make; and that the recent opinion of the Supreme Court does not control them, it having been given merely in answer to a call

of one branch of the legislature, without argument of counsel, and without an investigation of facts. Their position is, that this grave opinion of our highest judicial tribunal, given in a constitutional mode, "upon an important question of law," and "upon a solemn occasion," does not make them subjects of legislative regulation, though they, as well as all similar institutions, make annual returns of their condition to the State authorities.

We cheerfully accord to the managers of this institution the praise of the highest ability, combined with a true and zealous interest in its concerns—the result of all which has certainly been beneficial to depositors. But we consider their practice to be contrary to law, and the example to be one of most dangerous tendency.

The considerations offered on this subject in our first Annual Report, still operate with unabated force; and its manifest importance commends it to the earliest attention of the legislature.

SAMUEL PHILLIPS.
EZEKIEL R. COLT.
W. B. CALHOUN.

BOSTON, December 30, 1853.

APPENDIX.

No. I.

Boston, June 11th, 1853.

We have carefully examined the Act of the Legislature of 1851, entitled "An Act to authorize the business of Banking," and the Act in addition thereto, passed in 1852, and have compared the provisions of the same with the general laws regulating Banks and Banking; we have also examined, in comparison with the above laws, the special Act of 1853, entitled "An Act to increase the capital stock of the Merchants' Bank in Boston."

The last named Act clearly authorizes the increase of the capital of the Merchants' Bank, by the addition thereto, of two millions of dollars, or any part of that sum. This increased capital must be divided into shares of \$100 each, to be paid in in such instalments, and at such times, as the stockholders shall direct; the whole increase need not be made at one time, but may be made in instalments, provided the whole increased capital be paid in in one year. As each addition is made to the capital, the President and Directors are required to make a certificate, under their hands and seals, in which must be substantially stated, the several particulars required by the law of 1851. The bank may, if they please, deposit with the Auditor of Accounts of the Commonwealth, such securities as are required by law, and receive from him bills for issue and circulation; they are, however, under no obligation to do this. The last proviso of the Act authorizing increase, places, beyond all question, the right of the bank to issue, under its present charter, bills to the amount of twenty-five per cent. above its present capital, before taking any bills from the Auditor. In fact, a bank may be established under the law of 1851, and so long as it issues no bills, no deposit need be made. It is only when such bills are taken from the Auditor, that security must be given. There can be no practical difficulty in increasing the capital as authorized. As soon as it is paid

in, it becomes amalgamated with the existing capital, and the business will proceed in the same manner as though it was added in the usual way. No separate books or accounts are required, and no separation of the business or separate administration or management, with the exception of the requisites which we have above stated, in the organization; there is really no difference between an institution incorporated under the laws regulating Banks and Banking, and an association organized under the law of 1851.

We cannot see that the bank or its stockholders, incur any other or greater liability by the increase of capital; the duties, restrictions and liabilities, are the same. If the law of 1851, and the additional law of 1852, give any privileges, the bank will be entitled to them so far as the increased capital is concerned; and among others, the privilege of paying out the bills of other banks, incorporated or established under the laws of this Commonwealth. As the legislature, in the law of 1851, have reserved the right of unconditional repeal of that law, and dissolution of any corporation existing under the same, we recommend that the certificate of shares of the increased capital should bear some distinctive mark upon them so that, in the event of such repeal or dissolution, there may be no conflicting claims among its stockholders. We cannot, however, imagine any state of facts which would induce the exercise of the high prerogative, certainly not without the reservation of the right of the Merchants' Bank to retain its increased capital, so long as its affairs are managed carefully, judiciously, and in conformity to law. If the legislature should, however, exercise their reserved power in the matter, the repeal or dissolution would affect only the increased capital. The present capital would be reserved and retained, under the provisions of the laws by virtue of which it holds its present chartered rights.

RUFUS CHOATE.

A. H. FISKE.

To F. Haven, Esq., President of the Merchants' Bank.

No. II.

The Reports referred to, constitute Senate Documents, No. 6, for 1850, and No. 11, for 1851.

No. III.

Where the bills of a bank, after being prepared by the Cashier for the President's signature, were stolen, and a forged signature of the President added, the bank was held not to be liable to pay a *bona fide* holder, on the ground that the Cashier declared them to be genuine, nor by reason of the negligence of the directors, in so keeping the paper prepared for signature.—*Salem Bank v. Gloucester Bank*. Mass. Rep. 17. 33.

No. IV.

CHAPTER 250.

AN ACT relating to Incorporated Banks, Banking Associations and Individual Bankers, located and doing business in the city of New York.

Passed April 15, 1853.

The People of the State of New York, represented in Senate and Assembly, do enact as follows :

§ 1. In addition to the quarterly reports now required by law to be made to the Superintendent of the banking department, by incorporated banks, banking associations or individual bankers, in this State, every incorporated bank, banking association or individual banker, located and doing business in the city of New York, shall publish, or cause to be published on the morning of every Tuesday, in a newspaper printed in said city, to be designated by the superintendent, a statement under the oath of the President, or Cashier, showing the true condition of the bank, banking association or individual banker making such statement, on the morning of each day of the week next preceding the date of such statement, in respect to the following items and particulars, to wit: average amount of loans and discounts, specie, deposits and circulation.

§ 2. Such statement shall be published at the expense of the bank, banking association or individual banker making the same ; and if any bank, banking association or individual banker, shall refuse or neglect to make the statement required in the first section of this act, for two successive Tuesdays, it shall forfeit its charter, (if an incorporated

bank,) and its privileges as a banking association or individual banker ; and every such bank, banking association or individual banker may be proceeded against, and its affairs closed in any manner now required by law in case of an insolvent bank or banking association. The terms "banking associations" and "individual banker," as used in this Act, shall be deemed to apply only to such banking associations and individual bankers as are or may be organized under the "Act of April 18, 1838, and the several amendments thereto."

§ 3. This Act shall take effect on the first day of August one thousand eight hundred and fifty-three.

No. V.

From the Secretary of the New England Association:—

Boston, December, 1853.

The present "Association of Banks for the Suppression of Counterfeiting," is the reorganization of an association of the same nature, which has existed in this city for several years. A recent resolve of the legislature of the Commonwealth, authorizing the payment of one-half of the expenses of such an association, when the amount should not exceed ten thousand dollars, together with the concurrent expression of prominent banking men throughout the State, of the necessity of more active measures against counterfeiters, led to the present organization. A Convention of the Banks was held in Boston, on February last, and a plan of association was adopted; the Board of Managers, consisting of fifteen, having ten members from banks out of the city, and the Executive Committee of five, having two members from the same. The banks of the other States of New England may become members of the association. Each bank is entitled to one representative at the annual meeting. The assessment required from each bank the present year, was five dollars on each one hundred thousand dollars of its capital stock.

The number of banks belonging to the association is one hundred and ten, and it is very desirable that every bank in New England should be a member.

The operations of the Association have been facilitated by the payment of rewards for the conviction and sentence of offenders. In cases of arrest for passing counterfeit money, the reward would pay the

complainant liberally for any loss of time attendant upon the prosecution of the offenders. These operations have extended throughout New England, and parts of New York, Canada, and the Provinces.

The number of "utterers" arrested has been about thirty-eight; of this number fourteen have been convicted and sentenced to different State Prisons, for terms of from two and a half to eight years, some of the offenders having been very notorious; eighteen are now under arrest, and six have escaped for want of proof.

During the present year the business of uttering has been conducted more than usually by females; their operations are conducted with less suspicion, and they more generally elude detection; a few of this class, however, have been arrested.

The banks may do much to remedy the evil of counterfeiting:—

1. By withdrawing their worn and defaced bills from circulation; and
2. By using no plates but those engraved in the highest style of the art.

No. VI.

BOSTON, Dec. 17, 1853.

To the Board of Bank Commissioners:—

GENTLEMEN:—Presuming you will make your usual Report to the legislature the coming session, and strongly feeling the necessity of each bank in the Commonwealth being required to use only a special plate, designed and prepared for its own separate use, I venture to ask you once more to call the attention of the legislature to the subject, and to urge upon them some action relative thereto.

I am aware that you have twice alluded to it in your Reports. Our Grand Jury last spring also attested to the importance of legislative action on it; still it has not yet received the attention which it merits.

Every week, nearly, I see new counterfeits printed from an old plate—or partially old—with the name altered, and which, from the mode adopted by nearly all the banks, is a very easy matter. It will require much time to prepare as many new plates as will be needed should a law of this kind be passed. I suggest, therefore, the propriety of an act requiring all banks hereafter chartered, or having their capitals increased, to use a special plate of their own, and that all banks now in existence be subject to the same requirement after the year 1860—thus giving time to procure designs carefully executed by the best talent

the country can produce, together with a general design, if a practicable one can be adopted, of having some one general feature, indicating the denomination when under the sum of \$10, and that, on the closing up of every bank, all their plates shall be taken possession of by the Bank Commissioners, and by them destroyed.

An examination of the various counterfeit and altered bills, which almost daily come under my observation, convinces me that these suggestions, if followed, would be the means of eradicating much of the evil under which we now suffer, or rather, what the poorer classes of our fellow-citizens suffer, as they are too often the recipients of bills they are unable to lose, while the banks themselves lose nothing. The Tremont Bank never lost but \$10. It is, therefore, for the benefit of the public, rather than for the banks, that I am addressing you.

Trusting that you may agree with me in the importance of these suggestions,

I am, Gentlemen,

With much respect,

Your obedient servant,

AND. T. HALL.

SENATE....No. 65.

Commonwealth of Massachusetts.

IN SENATE, March 13, 1854.

The Joint Standing Committee on Banks and Banking, to whom were committed several Petitions for bank charters, Petitions of existing banks for increase of their capital, and also several Petitions for savings banks, and "Penny" savings banks; have considered the same, and ask leave to submit a brief

REPORT

Explanatory of their action thereon.

The committee have cheerfully granted the parties to each petition, (about one hundred in number,) an opportunity to be heard as fully as they desired. The petitions are so numerous that it may be well to name them separately, with the prayer of each annexed, that reference to them may be conveniently had.

The amount of capital asked for is \$17,515,000, (seventeen million five hundred and fifteen thousand dollars.)

Of which the city of Boston asks for \$10,850,000, (ten millions eight hundred and fifty thousand dollars.)

SUFFOLK COUNTY.

Name of Petition.	Where Located.	New Bank.	Increase.
Robt. B. Williams and others,	Boston, . .	\$1,000,000 00	—
J. V. C. Smith “ . .	“ . .	500,000 00	—
Samuel Parsons “ . .	“ . .	1,000,000 00	—
David Snow “ . .	“ . .	250,000 00	—
Noah Sturtevant “ . .	East Boston, .	500,000 00	—
Henry Slade “ . .	Chelsea, . .	100,000 00	
Columbian Bank, . . .	Boston, . .	—	\$500,000 00
Shawmut “ . . .	“ . .	—	500,000 00
Eliot “ . . .	“ . .	—	700,000 00
Blackstone “ . . .	“ . .	—	500,000 00
Tremont, “ . . .	“ . .	—	750,000 00
Washington “ . . .	“ . .	—	500,000 00
National “ . . .	“ . .	—	1,200,000 00
Boylston “ . . .	“ . .	—	100,000 00
Bank of North America, .	“ . .	—	500,000 00
Howard Banking Company, .	“ . .	—	1,000,000 00
Grocers' Bank, . . .	“ . .	—	1,000,000 00
Freeman's “ . . .	“ . .	—	50,000 00
Broadway “ . . .	South Boston,	—	150,000 00
Mechanics' “ . . .	“ “	—	50,000 00

MIDDLESEX COUNTY.

Cambridge Bank, . . .	Cambridge, .	—	\$50,000 00
Waltham “ . . .	Waltham, .	—	50,000 00
Bunker Hill “ . . .	Charlestown, .	—	100,000 00

MIDDLESEX COUNTY—CONTINUED.

Name of Petition.	Where Located.	New Bank.	Increase.
Wamesit Bank, . . .	Lowell, . . .	—	\$50,000 00
Appleton “ . . .	“ . . .	—	50,000 00
Bank of Newton, . . .	Newton, . . .	—	50,000 00
Brighton Bank, . . .	Brighton, . . .	—	100,000 00
Life Baldwin and others, . . .	“ . . .	\$200,000 00	—
Thomas Emerson “ . . .	South Reading, . . .	100,000 00	—
Timothy Daniels “ . . .	Holliston, . . .	100,000 00	—
Walter Fessenden “ . . .	Townsend, . . .	100,000 00	—
Harlin Pillsbury “ . . .	Lowell, . . .	100,000 00	—
George W. White “ . . .	Charlestown, . . .	300,000 00	—
Benjamin Dana “ . . .	Watertown, . . .	100,000 00	—
Daniel Needham “ . . .	Groton, . . .	100,000 00	—
Wm. T. Hanchett “ . . .	Natick, . . .	100,000 00	—
John Shelton “ . . .	Melrose, . . .	100,000 00	—

ESSEX COUNTY.

Village Bank, . . .	Danvers, . . .	—	\$90,000 00
Beverly “ . . .	Beverly, . . .	—	75,000 00
Lynn Mechanics' Bank, . . .	Lynn, . . .	—	50,000 00
Rockport Bank, . . .	Rockport, . . .	—	50,000 00
H. K. Oliver and others, . . .	Lawrence, . . .	\$100,000 00	—
Charles Porter “ . . .	Lynn, . . .	100,000 00	—
Samuel Little “ . . .	Georgetown, . . .	100,000 00	—
Gilbert Tapley “ . . .	Danvers, . . .	100,000 00	—
Wm. H. Allen “ . . .	Beverly, . . .	100,000 00	—

NORFOLK COUNTY.

Name of Petition.	Where Located.	New Bank.	Increase.
Blue Hill Bank . . .	—	—	\$50,000 00
Neponset “ . . .	—	—	50,000 00
Rockland “ . . .	—	—	100,000 00
Randolph “ . . .	—	—	50,000 00
Kilby Page and others, .	West Roxbury,	\$100,000 00	—

BRISTOL COUNTY.

Metacomet Bank, . . .	Fall River, .	—	\$300,000 00
Machinists’ “ . . .	Taunton, .	—	50,000 00
Bristol County “ . . .	“	—	100,000 00
Taunton “ . . .	“	—	250,000 00
Mechanics’ “ . . .	New Bedford,	—	200,000 00

WORCESTER COUNTY.

Leicester Bank, . . .	Leicester, .	—	\$50,000 00
Lancaster “ . . .	Lancaster, .	—	50,000 00
Milford “ . . .	Milford, .	—	100,000 00
Central “ . . .	Worcester, .	—	150,000 00
Quinsigamond “ . . .	“ .	—	150,000 00
Southbridge “ . . .	Southbridge, .	—	50,000 00
Fitchburg “ . . .	Fitchburg, .	—	50,000 00
Roulstone “ . . .	“	—	50,000 00
George C. Davis and others, .	Northboro’, .	\$100,000 00	—
C. C. Bassett “ . . .	Athol, . . .	100,000 00	—
J. F. Alderman “ . . .	Milford, .	150,000 00	—

WORCESTER COUNTY—CONTINUED.

Name of Petition.	Where Located.	New Bank.	Increase.
William B. Fox and others, .	Worcester, .	\$300,000 00	—
W. Slocomb “ .	Grafton, .	100,000 00	—
H. N. Bigelow “ .	Clinton, .	150,000 00	—
Willard Raymond “ .	Westboro’, .	100,000 00	—
Edward S. Hall “ .	Blackstone, .	100,000 00	—

PLYMOUTH COUNTY.

Bela Keith and others, . .	N. Bridgewater,	\$100,000 00	—
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BARNSTABLE COUNTY.

James M. Holmes and others,	Provincetown,	\$100,000 00	—
Jacob Smith “ .	Chatham, .	100,000 00	—

DUKES COUNTY.

Leavitt Thaxter and others, .	Edgartown, .	\$100,000 00	—
Thomas Bradley “ . .	Tisbury, .	100,000 00	—

HAMPDEN COUNTY.

Austin Fuller and others, .	Monson, .	\$150,000 00	—
Hancock Bank, . . .	Springfield, .	—	\$100,000 00

FRANKLIN COUNTY.

Edmund Burke and others, .	Conway, .	\$100,000 00	—
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BERKSHIRE COUNTY.

Name of Petition.	Where Located.	New Bank.	Increase.
Mahaiwe Bank, . . .	Gt. Barrington,	—	\$50,000 00
Pittsfield “ . . .	Pittsfield, .	—	200,000 00
Housatonic “ . . .	Stockbridge, .	—	50,000 00

The committee are not aware that the legislature or the public contemplate any radical change in our system of banking, during the present session, and they do not suppose, therefore, that a discussion of its merits is called for, or would be useful. There was a strenuous effort, at the last session, to supplant the existing system, by the establishment of a different one existing in some of the neighboring States.

The Committee on Banks and Banking of that session, (of which a part of the present committee were then members,) gave their reasons at length for holding our present system to be superior to any proposed to take its place, and, concurring generally in the views expressed in that Report, (Senate Document, No. 85,) we ask leave to refer to the same for our opinions as to the value and safety of the system. Reasons are therein given for holding that our banking system may, with reasonable safety, be expanded to meet the growing business wants of the community; and two rules are laid down for granting capital to meet those wants: first, that the business of any given locality clearly needs the use of the bank capital asked for; and next, that there is capital there, and in the neighborhood, seeking that form of investment. Guided by the same rules in our present investigations, we have scrutinized each case with all the care and particularity that time and circumstances would admit of, and the action that we recommend to the legislature, and which will be found in the several Reports submitted upon each case, was agreed to after the exercise of the best judgment that the committee could command, and with entire unanimity.

A statement showing the distribution of the existing bank capital in different parts of the State, and its proportion to property and population, may be acceptable to the legislature, and is annexed, as follows:

The population and valuation are of the year 1850, while the bank capital is of the year 1853.

BANK CAPITAL.

[March,

Location of Bank Capital in the several Counties.

COUNTIES.				Population.	Valuation.	Bank Capital.	Bank Capital to each Inhabitant.	Proportion of Bank Capital to Valuation.
Suffolk,	-	-	-	145,788	\$217,587,172 00	\$31,910,000 00	\$218 92	14.6 per cent.
Bristol,	-	-	-	74,979	39,243,560 00	3,350,000 00	44 64	8.43 "
Essex,	-	-	-	127,170	56,566,466 00	5,655,000 00	44 46	9.9 "
Hampden,	-	-	-	51,285	22,621,220 00	1,763,325 00	34 37	7.7 "
Nantucket,	-	-	-	8,779	4,595,362 00	200,000 00	22 78	4.35 "
Worcester,	-	-	-	130,817	55,497,794 00	2,550,000 00	19 49	4.5 "
Berkshire,	-	-	-	49,596	17,197,607 00	1,000,000 00	20 16	5.8 "
Hampshire,	-	-	-	35,714	13,331,240 00	650,000 00	18 20	5. "
Middlesex,	-	-	-	155,762	83,264,719 00	2,850,000 00	18 29	3.42 "
Norfolk,	-	-	-	77,441	47,034,521 00	1,350,000 00	17 43	2.87 "
Plymouth,	-	-	-	51,509	19,200,688 00	640,000 00	11 92	3.32 "
Barnstable,	-	-	-	33,997	8,897,349 00	400,000 00	11 17	4.49 "

It is obvious from the foregoing statement, that the bank capital is apportioned to the several counties in proportion as their business is more or less manufacturing and commercial.

The committee desire to make a brief explanation of their action upon the petitions from Boston.

The sum of capital asked for is nearly \$11,000,000.

A part of the sum is fictitious, as the committee are aware that a few of the petitioners put their sum at a high figure, with the idle expectation that the legislature will grant in proportion to the amount asked, and not in proportion, to what is proved to be wanted. The amount, nevertheless, that is asked for in good faith, is very large, and is supposed to be exaggerated above the amount actually required, from the fact, that a portion of the same wants are made known at the counters of a large number of different banks, and are, to some extent, the foundation of different petitions. Could the business of Boston express its request in one petition, it is supposed the amount of capital asked for, would be much less.

Some of the Boston petitioners have suggested to the committee, that Massachusetts did not pursue so liberal a policy in granting capital to Boston, as the city of New York enjoys, and that Boston business suffers in consequence.

The bank capital authorized for Boston is, . . .	\$31,260,000
Of the city of New York,	47,000,000

Or about 50 per cent. more than that of Boston, while it is obvious to every business man at all familiar with the business of the two emporiums, that the business of New York is at least 500 per cent. more than that of the city of Boston. It may be said that a given amount of capital in New York, would afford a greater amount of discounts, than in Boston, because there is no legal limit to discounts in the former city. But the returns of the New York banks for some time back, show that the practical limit to the discounts of the New York banks is about the same as the legal limit enjoined upon Boston banks, viz.: twice the amount of their capital.

The committee recommend that \$3,200,000, (about one-half the sum they recommend for the whole State,) should be granted on the several Boston petitions. They recommend the establishment of a new bank in East Boston, for the local accommoda-

tion of the business there. And, after the maturest deliberation, they have reported in favor of granting the remainder of the sum to existing banks, and they regret that they are obliged to report, that the petitioners for four new banks in Boston, have leave to withdraw their petitions. In a city like Boston, where business is constantly and rapidly expanding, the younger class of business men who are entitled to bank facilities, equally with their older brethren, cannot have their wants fairly supplied without the occasional establishment of new banks. The old circle of customers use the existing banks to the extent of their capacity, and keep their doors shut against new men. But the legislature, at its last session, gave due heed to this consideration and established five new banks in Boston: one in South Boston, and four in State Street, with an aggregate capital of \$2,700,000, and the committee have not been able to discover that any occasion arising from the same cause, still exists for new banks.

In the absence of the reason above alluded to for new banks in Boston, the committee deem it wiser to strengthen some of the smaller banks in the city, than to establish new ones.

There are now thirty-seven banks in Boston, with an authorized capital—

One of	.	.	.	.	.	.	\$5,000,000
"	.	.	.	.	.	.	2,000,000
"	.	.	.	.	.	.	1,800,000
"	.	.	.	.	.	.	1,500,000
"	.	.	.	.	.	.	1,250,000
Eight of	.	.	.	.	.	.	1,000,000
One	.	.	.	.	.	.	900,000
"	.	.	.	.	.	.	800,000
Two	.	.	.	.	.	.	750,000
One	.	.	.	.	.	.	700,000
"	.	.	.	.	.	.	600,000
"	.	.	.	.	.	.	560,000
Nine	.	.	.	.	.	.	500,000
Two	.	.	.	.	.	.	350,000
Three	.	.	.	.	.	.	300,000
One	.	.	.	.	.	.	250,000
"	.	.	.	.	.	.	200,000
"	.	.	.	.	.	.	100,000

These banks, except three or four of the smallest capital, are established in State Street; and it will be seen that half of the State Street banks have capitals of \$500,000 or \$1,000,000. All the banks in that street, have substantially the same location, the same business, and the same class of men for customers, and the committee think it good policy, as capital is granted for State Street, to give it to the smaller banks. One half million is small capital for a bank in that locality, and more capital will enlarge their usefulness, strengthen their circulation, diminish the proportion that the expenses of management bear to the amount of their capital, and tend to put them on a more equal footing as compared with their neighbors. Of the nine State Street banks that have petitioned for increase of capital, seven have one-half million and less. The committee propose to enlarge the capacity of these seven banks, together with that of the Blackstone Bank, in Hanover Street, to a common limit, viz.: \$750,000. They give leave to withdraw, to the two other State Street banks asking for increase, for the reason only that they have already reached, and one is beyond, that limit. There is no partiality exercised toward these banks in granting to some and refusing others, because in estimating the favors of the Commonwealth, its action heretofore, as well as at present, should be taken into the account. The committee also recommend, that other banks, located in other parts of the city, be authorized to increase their capital stock.

The present account of bank capital in use, and authorized to be used, in the State, is fifty-two millions eight hundred and eighty thousand five hundred dollars, (\$52,880,500.)

The whole amount of new capital, that the committee, acting under the rule before mentioned, have felt obliged to recommend to be granted, is between six and seven millions.

Respectfully submitted,

E. H. KELLOGG.

JOSEPH MITCHELL.

JOHN G. THURSTON.

JOHN G. DAVIS.

HENRY H. CHAMBERLIN.

CHARLES H. FRENCH.

CHESTER GUILD.

